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The Politics of Military Reform in Post-Suharto Indonesia: Elite Conflict, Nationalism, and Institutional Resistance

Marcus Mietzner



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List of Acronyms

ABRI	Angkatan Bersenjata Republik Indonesia (Indonesian Armed Forces)
Babinsa	Bintara Pembina Desa (Soldier for Village Supervision)
DPR	Dewan Perwakilan Rakyat (People's Representative Council; Indonesia's national parliament)
FKPPI	Forum Komunikasi Putra-Putri Purnawirawan Indonesia (Communication Forum of Sons and Daughters of Indonesian Veterans)
FPI	Front Pembela Islam (Front of the Defenders of Islam)
GAM	Gerakan Aceh Merdeka (Free Aceh Movement)
HDC	Centre for Humanitarian Dialogue (previously, the Henry Dunant Centre)
IMF	International Monetary Fund
Kodam	Komando Daerah Militer (Regional Military Command)
Kodim	Komando Distrik Militer (District Military Command)

Koramil	Komando Rayon Militer (Subdistrict Military Command)
Korem	Komando Resort Militer (Resort Military Command)
Kostrad	Komando Cadangan Strategis Angkatan Darat (Army Strategic Reserve Command)
MPR	Majelis Permusyawaratan Rakyat (People's Consultative Assembly)
NGO	nongovernmental organization
NKRI	Negara Kesatuan Republik Indonesia (Unitary State of the Republic of Indonesia)
NU	Nahdlatul Ulama (Revival of the Islamic Scholars)
PAN	Partai Amanat Nasional (National Mandate Party)
PDI-P	Partai Demokrasi Indonesia Perjuangan (Indonesian Democratic Party of Struggle)
PKB	Partai Kebangkitan Bangsa (National Awakening Party)
PPP	Partai Persatuan Pembangunan (United Development Party)
TNI	Tentara Nasional Indonesia (Indonesian National Military)

Executive Summary

Since the fall of Suharto's New Order regime in 1998, Indonesia has launched a number of initiatives to reform its previously omnipotent armed forces. The extent to which these reforms have resulted in real political change, however, has been subject to heated debate in Indonesia and in capitals of Western donor countries. The two camps have often advanced highly antagonistic accounts of the military reform process. Human rights groups and political activists, on the one hand, have contended that despite formal reforms, there has been almost no change in the way the armed forces operate. They maintain that the military continues to influence, and even dominate, political and economic affairs. The opposing view, which is frequently argued by foreign proponents of restoring full military-to-military ties with Indonesia, states that the armed forces are now fully subordinated to civilian democratic control, and that substantial progress has been made in imposing international human rights standards on the troops.

This study presents an evaluation of military reform efforts in Indonesia eight years after Suharto's resignation. Applying the two-generation model of military reform developed by Cottey, Edmunds, and Forster, it proposes that Indonesia has made remarkable progress in advancing first-generation military reforms, which include extensive changes to the country's institutional framework, judicial system, electoral mechanisms, composition of representative bodies, and the responsibilities

of security agencies. In combination, these reforms have successfully extracted the armed forces from formal politics, have undermined many of their institutional privileges, and have produced a polity in which the military arguably no longer holds “veto power” to overturn decisions made by the civilian government. The compliance of the armed forces with the government’s most recent peace plan for Aceh, despite extensive skepticism within the ranks, is a persuasive example of change.

These successes, however, have been counterbalanced by serious omissions and failures. Most important, policymakers did not proceed with initiatives to reform the territorial command structure. These reforms were aborted shortly after they were launched in 2000 amid increasing political tensions. Thus the territorial system was maintained as the power base of the armed forces in the regions, allowing them to tap into economic resources at the grassroots and defend their role as a significant player in local politics. In the same vein, none of the post-Suharto administrations seriously tackled the issue of military self-financing. Since its inception in the 1940s, the Indonesian military has raised much of its own funds through a large network of businesses, cooperatives, foundations, and other formal and informal enterprises. These fund-raising mechanisms, in turn, have enabled the armed forces to operate from a position in which they are not exclusively dependent on budget allocations from the state. Despite efforts to increase state control over the defense budget after 1998, the military has continued to rely on large amounts of off-budget funds. Under such conditions, the process of establishing effective and democratic civilian control over the military cannot be completed.

The failure to subject the armed forces irreversibly to democratic civilian control has been due to several factors. First, prominent military officers around General Wiranto had played a key role in organizing a controlled transfer of power from Suharto to his deputy, B. J. Habibie, in May 1998, avoiding the complete collapse of the New Order regime and securing the armed forces extensive participation in the first postauthoritarian government. As a result, the military was granted the authority to define its own internal reform agenda, enabling it to fend off demands for more substantial change.

Second, the deep fragmentation within Indonesia’s civilian elite assisted the military in gaining concessions from political leaders eager to pull the armed forces to their side and outplay opponents in their struggle for power. The divisions between key societal and political figures had already

been clearly visible in the turmoil that led to Suharto's fall, but they widened in 1999 and finally brought the country to the brink of a constitutional breakdown in 2001. The chaos surrounding the impeachment of President Wahid led to a serious loss of public confidence in civilian leadership skills, and facilitated the rise of retired military officers as top contenders for political office. In 2002 and 2003, former generals defended their hold on key governorships in Java and other important provinces, despite the fact that civilian political parties controlled large majorities in the legislatures that elected them. In 2004, the presidential race featured three contenders with a military background, and resulted in Susilo Bambang Yudhoyono's ascension to the presidency.

Third, the perception in large sections of society that the political and economic reforms introduced after 1998 had not significantly improved their daily lives gave rise to an anti-reform sentiment that also affected initiatives for change in the armed forces. More specifically, concerns over sectarian clashes in Maluku, Kalimantan, and Sulawesi, as well as continued separatist violence in Aceh and Papua, led many politicians to conclude that further experiments with military reform were likely to undermine the capability of the armed forces to deal with the unrest. As conservative notions of unitarianism and territorial integrity replaced the liberal euphoria of the immediate post-Suharto period, the majority of Indonesian decision-makers dropped military reform from their list of urgent policy items.

Fourth, there was strong institutional resistance within the armed forces toward reforms that threatened their core interests. While accepting its phased extraction from formal politics, the military put up fierce opposition towards plans to reform the territorial command structure, and tried to circumvent government initiatives to take control of military businesses. Officers in favor of gradually disbanding the territorial system were sidelined by their colleagues, and the armed forces leadership took every opportunity to consolidate, and even expand, their network of local commands. One such opportunity was the government's fight against terror, which encouraged senior generals to reinstate the intelligence functions of low-level units that had been shelved after 1998.

The hybrid nature of Indonesia's military reform presents Indonesian and foreign policymakers with a set of difficult challenges. Domestic politicians are confronted with the task of producing a blueprint for modernizing Indonesia's outdated defense system, which had been designed in

the 1940s to defeat the Dutch by guerilla warfare. This blueprint potentially would see the current territorial system replaced by a number of multiservice bases at strategic points of the archipelago, with the capacity to rapidly deploy troops to crisis spots. Indonesian politicians should also pursue several reforms that would lead to improvements to the human rights courts and military justice system, the clear subordination of the military to the Department of Defense, and the creation of a civilian-led National Security Council. Foreign donors, on the other hand, have learned since Suharto's fall that isolating the Indonesian armed forces has not triggered more extensive reforms. Instead, the decision of many Western countries to suspend military-to-military ties with Indonesia in 1999 has hardened the nationalist resolve within the officer corps and has driven it closer to China and Russia. Consequently, a course of limited engagement is advised that helps Indonesia strengthen its air force and navy vis-à-vis the army, and ultimately leads to a more professional and accountable military within Indonesia's new democratic framework.

The Politics of Military Reform in Post-Suharto Indonesia: Elite Conflict, Nationalism, and Institutional Resistance

Eight years after the fall of President Suharto, analysts of Indonesian politics remain deeply divided when discussing the military's political power in the postauthoritarian polity. Some observers argue that the armed forces, or TNI (Tentara Nasional Indonesia, Indonesian National Military), have lost much of their influence on the political process, have improved their professional standards and human rights record, and have been largely subjected to civilian control. John Bradford, for instance, has lauded TNI's decision "to disengage from practical politics and focus on improving its war-making abilities, especially those related to external defense" (Bradford 2005: 19). The opposing view states that the reforms undertaken since 1998 have been mostly ceremonial and ineffective, leaving the military with enough power to secure its main institutional interests. Writing in 2003, William Liddle concluded that there is "a slowly dawning recognition that nothing fundamental has in fact changed since 1998" (Liddle 2003).

The debate regarding the level of TNI's depoliticization and internal reform is not only an important academic discourse on post-Suharto

Indonesia. It is also mirrored in the policy discussions of foreign governments about their engagement with Indonesia's armed forces. The governments of the United States and Australia in particular have found it hard

[Western governments] have found it hard to determine whether TNI has met their benchmarks...[for] military assistance programs

to determine whether TNI has met their benchmarks as far as access to their military assistance programs is concerned. There have been influential public campaigns in both countries against any support to TNI before clear and irreversible steps toward reform have been made. In October 2004, forty-five members of Congress wrote to then-Secretary of State Colin Powell that TNI remained "a massively corrupt institution," and

much of its income "comes from illegal and semi-legal activities, including prostitution, drug-dealing, environmentally destructive logging, and trafficking in people" (East Timor Action Network/U.S. 2004). The proponents of military-to-military ties with Indonesia, on the other hand, have maintained that Jakarta's military has already achieved the necessary levels of reform that qualify it for foreign assistance.

Secretary of Defense Donald Rumsfeld, for example, stated in 2002 that Indonesia's armed forces "are addressing the human rights issues in an orderly, democratic way," and called on Congress to review the conditions it had set for providing aid to TNI (U.S. Department of Defense

the Bush administration finally lifted the restrictions [on military ties] in November 2005

News Briefing 2002). Using its authority to waive certain congressional requirements, the Bush administration finally lifted the restrictions in November 2005.

This study discusses the process of military reform in Indonesia from the final days of Suharto's regime to the government under Susilo Bambang Yudhoyono. It will highlight achievements in the reform effort, but also point to unresolved problems, and even regression, in some crucial areas. Although important institutional changes were implemented between

1998 and 2002, the process of reform has largely stagnated since then. This stagnation was due to several key developments in post-Suharto civil-military relations. These include the manner in which the 1998 regime-change occurred, the deep fragmentation among the civilian political elite, the rising nationalist-conservative ideology of political leaders and society as a whole, and the institutional resistance offered by vested interests within the armed forces. Most important, the interplay between these various themes explains why core issues of military reform, like the territorial command structure and the problem of military self-financing, were not dealt with early on in the political transition and remain unaddressed today.

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has largely stagnated
since [2002]***

The extent of reform will be evaluated utilizing comparative models of democratic control over the armed forces, most notably the scholarly debate on different “generations” of reforms. In general terms, recent literature on the subject has differentiated between two generations of change. Most countries that have initiated democratic reform after long periods of military-backed, authoritarian rule begin the transitional process with changes to their institutional framework: abolition of security institutions associated with the old regime, establishment of new civilian bodies to control the armed forces, changes to the command system, and empowerment of parliament. This first phase of institutional measures is typically termed the “first generation” of civil-military reforms (Cottee, Edmunds, and Forster 2001: 5). The first generation of reforms is important for the dismantling of old power structures and for defining the end goal of the democratic transition.

The first-generation reform agenda is insufficient, however, to address capacity problems of the newly created institutions and to control residual powers the armed forces may be able to exercise through noninstitutional political networks (Herd and Tracy 2005). Political institutions charged with military oversight, as well as civil society groups that aspire to the role of “watchdogs,” can only function properly if they have the capacity to fulfill their tasks. Lack of expertise, experience, funds, infrastructure, supporting staff, technology, and information can cause even highly sophisticated institutional frameworks to collapse or simply become dysfunctional. Accordingly, the second generation of reforms is crucial. The second

generation consolidates the frameworks for oversight of the military that were created in the first; in other words, it provides the democratic substance to the institutional structures established by political decisions. Thus the challenge of the second-generation reforms is centered around building capacity of both state institutions and civil society in exercising democratic civilian control over the military.

The two-generation model of military reform can make a useful contribution to the discussion of Indonesia's post-Suharto initiatives to establish executive supremacy over the armed forces. Many of the institutional changes prescribed by the first-generation agenda have been implemented since 1998, such as the extraction of the armed forces from political institutions

the underlying power structures that had underpinned military engagement in politics... have been remarkably resistant to change

and the empowerment of the legislature to carry out its oversight functions more effectively. But the underlying power structures that had underpinned military engagement in politics since 1945 have been remarkably resistant to change and thus prevented Indonesia from completing the first generation of reforms and proceeding to the second. In this regard, several important features of military involvement in postindependence politics and society continue to obstruct more substantial reform measures in today's democratic polity. Among them are

the persistence of the territorial command structure, institutionalized in the late 1950s to anchor the armed forces deeply in the economic and political infrastructure of the regions; the military's relative autonomy from central government funding, generated by its vast network of off-budget sources that has been in place since the independence war of the late 1940s; its entrenchment in political institutions under Sukarno's Guided Democracy (1959–65) and the New Order (1966–98), which consolidated a sense of the military's entitlement to participation in government; the effective impunity of the officer corps from legal prosecution, rooted in its political dominance in various Indonesian regimes and a military justice code dating back to the 1940s; and a general feeling in the ranks that without its intervention in politics, civilian leaders will tamper with the very territorial integrity of the state that the generals allegedly fought so hard to achieve and preserve. This complex of socially entrenched privileges and

perceived prerogatives, which defined the “starting point” for military reform after Suharto’s fall, severely complicated attempts to subordinate the armed forces firmly to postauthoritarian control institutions.

In order to highlight the successes and failures of the reform process, this essay presents a chronologically structured survey of events in crucial periods of Indonesia’s democratic transition. This approach was chosen for a number of reasons. To begin with, each of the periods discussed, from the crisis of the late New Order polity to the four post-Suharto governments, had a very distinct, and highly diverse, influence on the development of post-1998 civil-military relations. Each period left important legacies for their respective successors to tackle, forming causally interconnected junctures in the transitional process. The narrative emphasis on such junctures can therefore capture the dynamics of the military reform process better than a theme-oriented approach that provides snapshots of the current situation, and allows for a much more precise identification of the key achievements, omissions, and events that have shaped post-Suharto military politics. Understanding the stagnation of military reform efforts during the Megawati government (2001–04), for example, is impossible without a detailed discussion of the reasons for the dramatic failure of radical reform initiatives launched under the Wahid administration (1999–2001). In the same vein, explaining the success of the Yudhoyono government (since 2004) in enforcing the adherence of the military to its peace plan in Aceh would remain fragmentary without outlining the factors that had allowed the armed forces only two years earlier to undermine the “cessation of hostilities” agreement negotiated under Megawati’s rule.

In its discussion of the various periods, the essay develops five key arguments. First, the character of the 1998 regime change predetermined many of the difficulties Indonesia would face in reforming its post-Suharto military. Facilitated by military officers close to General Wiranto, the intrasystemic transfer of power from Suharto to his deputy avoided the complete destruction of the regime and allowed many of its key components, including the armed forces, to make a relatively smooth transfer into the new polity. Second, based on compromises made between the first postauthoritarian government and the military leadership in 1998, the armed forces

***the territorial
command structure...
was left untouched***

were granted the right to define and implement their own internal reforms. This led to the omission of important items from the reform agenda, most notably the territorial command structure, which was left untouched for much of the immediate post-New Order period. Third, the deep fragmentation of civilian politics, which had already marked the crisis of 1998, had a tremendous impact on the evolution of civil-military relations after Suharto's fall. This became most evident during the Wahid presidency, when a courageous program for wide-ranging military reform collapsed amid severe conflicts between the country's largest political and societal forces. Fourth, this protracted civilian infighting, which brought Indonesia to the brink of a constitutional breakdown in 2001, led not only to a general erosion of public confidence in civilian leadership, but also assisted in the emergence of retired military officers as prominent political players at the local and national level. Fifth, growing concerns over the threat of national disintegration and the rise of international terrorism after 2001 provided additional disincentives for Indonesia to proceed with more substantial military reforms. Thus despite President Susilo Bambang Yudhoyono's determination to rein in the armed forces during the Aceh peace process and initiate changes to their financing system, the efforts for structural military reform remain an uncompleted project.

Building on these five central arguments, the monograph evaluates the state of military reform in Indonesia against indicators and propositions in the literature on democratic transitions in general and military reform in particular. Comparing Indonesia to countries in similar stages of their postauthoritarian transitions, the author argues that Jakarta can claim a medium rank on the international scale of civil-military reforms. It is far ahead of states that have seen their reform processes disintegrate in political decline and even armed conflict, but lags behind countries that have begun to institutionalize effective mechanisms to exercise democratic civilian control over their militaries. The monograph concludes with policy recommendations for domestic and international decision-makers.

Suharto's Fall: Implications for Military Reform after 1998

The discussion of the 1998 regime change, and the role senior military officers played in it, is crucial for understanding post-New Order civil-military relations. Many of the difficulties in reforming the postauthoritarian armed forces can be traced to the way the military transitioned from the New Order into the new democratic polity. Of utmost significance was the

fact that a number of military leaders around then-Armed Forces Commander General Wiranto¹ and Chief of Staff of Socio-Political Affairs Susilo Bambang Yudhoyono had concluded by April 1998 that Suharto's position was indefensible, and had actively engaged in the elite negotiations that encouraged the embattled autocrat to resign (Lee 2005a and 2005b; Shiraishi 1999: 82). The actions of Wiranto and Yudhoyono stood in stark contrast to more hard-line elements in the armed forces that tried to convince Suharto to declare martial law and order a violent crackdown on government dissidents. These hardliners, which included Suharto's son-in-law Prabowo Subianto, former Armed Forces Commander Feisal Tanjung, and former Army Chief of Staff Hartono, had cultivated close ties to militant Islamic networks and were prepared to mobilize them in Suharto's defense (Hefner 2000: 151; Schwarz 2004: 337). Their efforts ultimately failed, however, as even Suharto accepted that the chances of prolonging his rule were minimal. The student movement had rapidly gained momentum, and a growing number of previous New Order loyalists had turned their backs on Suharto. Isolated from the rest of society and deserted by former loyalists, Suharto rejected the offers by hardline officers to declare a state of emergency, and instead opted for a controlled transfer of power within the constitutional format of the regime. This intrasystemic character of the regime change, in turn, allowed residual elements of the New Order to form the first post-Suharto administration.

The ascension of Vice President B. J. Habibie to the helm of government on May 20, 1998, ended almost four decades of authoritarian rule, but it avoided a sharp break with the political power structures that had underpinned the regime. Consequently, key components of the New Order, and particularly the armed forces, were able to extend some of their privileges and informal powers into the new political system. This aspect of the negotiated regime change becomes evident if contrasted with the potential consequences had emergency law been imposed. The declaration of martial law, as demanded by a small number of hardline military officers, almost certainly would have led to a further escalation of protests and increased use of military coercion against demonstrators (Emmerson 2004: 106). This scenario was unlikely to secure Suharto's long-term political survival, but could have resulted in the kind of tumultuous regime collapse that, according to Stepan and Linz (1996: 52–53), typically elevates oppositional forces to replace "sultanistic" rulers. In short, the controlled regime change spared Indonesia the tragedy of a Tiananmen-style mas-

sacre, but sent the country on a more complicated course of democratic transition than states that witnessed their autocratic regimes implode amid anarchic unrest.

There were, of course, other important reasons for the intrasystemic character of the regime change. A particularly prominent factor was the fragmentation among Indonesia's civilian politicians, which would also

no credible...nonregime figure stood ready to take [Suharto's] place

leave its mark on the scope and pace of military reform after 1998. Throughout the crisis, the leaders of large societal and political organizations failed to form a united opposition front against the government, leaving the initiative for regime change to the forceful, but rather unorganized student movement. Accordingly, when Suharto finally fell, no credible team of nonregime figures

stood ready to take his place. Instead, bureaucrats and politicians associated with the crumbled regime were the main beneficiaries of the transfer of power facilitated by senior military officers.

The disunity among the civilian political elite during the crisis not only prevented the complete collapse of the regime, but also anticipated the political conflict lines of the post-Suharto era. Abdurrahman Wahid, patron of the traditionalist Muslim organization Nahdlatul Ulama (NU), refused to align himself with the opposition against Suharto and even attacked the student movement for its unwillingness to compromise with the regime (Mietzner 1998). Deeply distrustful of politicians who did not share his own politico-ideological positions, Wahid developed a belligerent style that would become a major factor in the political conflicts of the postauthoritarian transition. Amien Rais, on the other hand, the chairman of the modernist Islamic group Muhammadiyah, had emerged as Suharto's most radical opponent. After 1998, he unsuccessfully tried to use his leadership credentials won during the crisis to boost his own presidential ambitions. On the nationalist end of the political spectrum, Megawati Sukarnoputri isolated herself from the developments leading to Suharto's fall, rejecting all invitations to join the active opposition. As daughter of founding president Sukarno, she apparently believed that she had a legitimate claim to Suharto's succession. These huge gaps between Indonesia's leading politicians prevented the formation of the very "unity of democratic purpose among civilian political elites" that Diamond and Plattner

(1996: xxiv) have postulated as a crucial condition for ending military intervention in politics and creating democratic civil-military relations in postauthoritarian transitions.

The negotiated regime change not only helped former New Order protagonists to survive Suharto's demise. The fact that officers around Wiranto had prevailed over the proponents of martial law also shaped perceptions within society and the political elite about the urgency of reforming the military in the post-Suharto era. Prabowo Subianto and his close associate Muchdi Purwopranjono, who were responsible for kidnapping regime opponents in early 1998, and who were widely believed to have been involved in the Jakarta riots that preceded Suharto's resignation, were relieved of their commands and subsequently discharged from the military.² These dismissals, it appeared, temporarily satisfied public demands for change in the armed forces and eased societal pressure for a more wide-ranging replacement of the New Order military leadership. The officers close to Wiranto, for their part, had helped to negotiate Suharto's resignation, and thus were initially not counted among the most challenging hurdles for a successful democratic transition.

Consequently, unlike South Korea, for example, which witnessed a substantial military reshuffle during its political transition, Indonesia did not begin its postautocratic reform project by retiring the military top brass associated with the old regime (Jun 2001: 130). Instead, the officers left in charge of leading the military's internal reform efforts had, despite their role in facilitating Suharto's departure, long histories of personal attachment to the fallen ruler and the political paradigms he represented.

The ambiguous attitude of the officers around Wiranto and Yudhoyono toward political change in general and military reform in particular was highlighted by the substantial differences between them. Several officers in Yudhoyono's circle had been discussing military reform concepts since the late 1980s (Honna 2003: 74–81), while Wiranto had only reluctantly warmed up to the notion that the New Order's political format was anachronistic, and that the military itself had to assimilate to trends of political change. It was only the escalation of the crisis, with its obvious features of rapid economic and political decline, which had forced Wiranto to integrate ideas of regime change into his conceptual thinking (Liddle 1999: 28). Before that, he had viewed Yudhoyono and other reformist officers like Agus Widjojo and Agus Wirahadikusumah as helpful allies in his conflict with Prabowo, but had considered their thinking

about political liberalization and disengagement from the regime as too radical.³ Thus for Wiranto, the leap from defending his patron Suharto to assisting in his resignation had exhausted much of his willingness to accommodate political reform. Beyond that, he had not paid much thought to the design of a postauthoritarian system and the way the military would operate in it. The officers around Yudhoyono, on the other hand, appeared better prepared to engage with the new polity, although they too were overwhelmed by the suddenness of Suharto's departure and the forcefulness of the reform movement that had triggered it.⁴ The dividing lines between the officers who had worked together in negotiating Suharto's resignation would define newly emerging military factions in the post-Suharto era.

Launching First-Generation Reforms: The Habibie Interregnum, 1998–99

The interregnum of President B. J. Habibie, which lasted from May 1998 to October 1999, was an important juncture for the development of military reform in the post-authoritarian polity. Important decisions were made, but equally significant opportunities were missed. The new government introduced radical changes to the political system, including fresh general elections with multiparty participation, press freedom, and vastly expanded civil liberties. Many of these reforms affected the armed forces in a direct manner, challenging deeply entrenched military paradigms of political corporatism and social control. Despite these cuts into traditional areas of military hegemony, however, the Habibie administration made wide-ranging concessions to the armed forces leadership under Wiranto. The compromise reflected the ambivalent character of the regime change, which had left influential elements of the New Order intact and allowed the armed forces to continue exercising considerable political influence.

Designing Self-Reform: Wiranto and the “New Paradigm”

The relationship between the armed forces and B. J. Habibie was one of mutual dependence. The new president relied on support from the armed forces to stabilize his rule, fend off societal challenges to his legitimacy, and prevent individual officers from undermining the reformist policies of his administration. The armed forces, on the other hand, needed the good will of the president, given his constitutional powers to appoint senior military leaders, distribute resources, and set the political agenda.

This mutual dependence produced important policy compromises as far as military reform was concerned. Most important, the military was granted the right to formulate its own reform agenda. In return, however, the armed forces had to pledge their support for Habibie and refrain from interfering with the process of political reform. This trade-off was reflected in a number of political events throughout the second half of 1998. First, Habibie demanded in July 1998 that Wiranto assist in the election of his candidate for the chairmanship of Golkar, the former government party of the New Order. Initially reluctant, Wiranto finally agreed to use his influence over the local Golkar boards to secure the victory of Akbar Tanjung, Habibie's nominee (Crouch 1999: 132). In November, the military was asked to mobilize thousands of civilian demonstrators to back Habibie's plan to legalize his leadership in a special session of the MPR (Majelis Permusyawaratan Rakyat, People's Consultative Assembly).⁵ Against significant opposition in the ranks, Wiranto decided once more to fulfill Habibie's request (Zen 2004: 95). Besides serving the president's personal interests, the military also reluctantly endorsed the sweeping changes to the political framework. While warning that some reform measures were going too far, the officer corps did not openly challenge the government's authority to implement them.

Given the concessions it had made to the civilian executive, the armed forces leadership was determined to make extensive use of the authority to select its own reform targets. Between July and November 1998, Wiranto announced a number of internal reforms that produced relevant institutional changes but protected the military's primary source of power. Wiranto proclaimed in July that the military was prepared to follow a "New Paradigm." This new concept, however, was in content and wording identical with reform ideas formulated by progressive officers in 1996 and 1997 (Honna 2003: 164–65). Like the drafts circulating at that time, Wiranto's post-Suharto paradigm consisted of four points: (1) the military was content not to be in the forefront of all national affairs; (2) the previous approach of occupying political positions was changed into influencing politics from a distance; (3) this influence was to be exerted indirectly rather than directly; and (4) the armed forces acknowledged the necessity

*the military was granted
the right to formulate its
own reform agenda*

of role-sharing with other national forces.⁶ The reuse of ideas developed in the context of the late New Order to address the challenges of the postauthoritarian transition led some reformist officers to grumble in protest. Agus Wirahadikusumah, for example, complained that “. . . the new paradigm was not new at all. It was the same concept that we had written up earlier in preparation for the time when Suharto would allow limited reforms. Now he had fallen, with a big bang, and all we could come up with was to take that old paper out of the drawer. Pretty saddening, actually. But hey, it was a start, they said.”⁷

Furthermore, the military gradually disposed of its Dual Function, the doctrinal concept that had justified its concurrent involvement in security and political affairs since the 1960s. The name of the concept was first changed to “combined function” (*peran terpadu*) before being officially terminated in 2000.⁸ This doctrinal change was accompanied by several measures designed to underline the military’s determination to extract itself

from active politics. In November 1998, a new policy was implemented that no longer allowed active officers to hold civilian positions in the bureaucracy. In addition, the armed forces agreed to reduce their legislative representation to 38 delegates in national parliament (down from 75) and 10 percent of the seats in local legislatures.

Wiranto also initiated the separation of the

police from the military, which had been united under the institutional roof of Armed Forces headquarters since 1962. This split allowed Wiranto to rename the military from ABRI (Angkatan Bersenjata Republik Indonesia, Indonesian Armed Forces) to TNI, the term used for the armed forces during the “glorious” days of the revolution. Finally, the armed forces cut their formal ties with Golkar and pledged neutrality in the parliamentary elections scheduled for June 1999.⁹

Wiranto’s efforts marked the early phase of the first generation of civil-military reforms. In this phase of the postauthoritarian transition, the institutions of the old regime are reviewed, disbanded, and replaced by new bodies reflecting the changed political environment of the democratic polity. In Indonesia, the exclusion of active military personnel from government and the gradual reduction of military representation in the legislature were important steps in the formal depoliticization of the armed forces.

They led to a widespread sense of uncertainty and concern within an officer corps that for decades had viewed high-profile bureaucratic careers as part of its guaranteed professional benefits.¹⁰ However, successful completion of first-generation reforms is dependent on the accurate identification and substantial restructuring of those power foundations that enable militaries to function as pillars of authoritarian rule. In the case of Indonesia, the policy compromises between the armed forces and President Habibie gave the former power to define the areas of reform and, by implication, to exclude those fields that military leaders viewed as most crucial to their interests. The character and scope of reforms proposed by the armed forces thus not surprisingly suggested that the problem of military intervention in politics was limited to the participation of senior officers in political institutions. The solution, according to the armed forces, lay in simply extracting the military from the political bodies it had penetrated; the macrostructures of military organization, on the other hand, were not to be affected. In the words of one senior officer, “the main target of our reform program was to get out of politics, and that was met when we left the government, disbanded our sociopolitical branches, and gradually reduced our presence in the legislatures.”¹¹ But this heavy emphasis on terminating military engagement in civilian institutions distracted the attention of the public and political elite from other, more consequential areas of reform.

Most important, the territorial command structure, the backbone of military presence in sociopolitical life in the regions, was left untouched for the entirety of Habibie’s interregnum. The territorial system consisted of a vast network of command units reaching from the capital down to the village level.¹² First practiced during the guerilla war and institutionalized in the mid-1950s, the territorial units exercised social control and allowed the military to access off-budget funding sources in the regions. Through this system, the armed forces have remained largely independent from central government funding and civilian control institutions. Maintaining the territorial power base and the financial independence it generated was therefore one of the main interests of the armed forces in the post-Suharto polity. Accordingly,

*the territorial units...
allowed the military to
access off-budget funding
sources in the regions*

when the military leadership announced its plans for internal reform, the territorial command structure was conspicuously absent. Its exclusion from the reform agenda meant that a core element of first-generation reforms was not tackled in the early period of the transition, which obstructed other reforms from taking root and perpetuated the structures upon which the military's power had rested during decades of authoritarian rule.

Against this background, the institutional and doctrinal dismantling of the Dual Function failed to address the fact that the political role of the armed forces had been the result of, rather than the reason for, the entrenchment of the military in Indonesia's society. The military had been granted direct participation in government in the late 1950s in acknowledgement of its capacity to stabilize (or destabilize) civilian governments. This capacity, in turn, was based on the military's territorial presence, autonomy from central funding sources, mediation in conflicts between political parties, and other societal forces. The military reform measures initiated under the Habibie government, on the other hand, scrapped the Dual Function without addressing the causes that had produced it. Thus, demands to prioritize the "revision of military doctrines that enshrined the political role of the armed forces" (Ghoshal 2004: 521) were unlikely to alter the underlying power structures that had produced these doctrines in the first place.

In the same vein, the outpouring of societal criticism of the military's violent past cornered the armed forces and persuaded them to present a reformed image, but did not cut to the core of TNI's institutional interests. In fact, many observers prematurely cited the trenchant public critiques of the military as evidence that the powers of the armed forces had declined. David Bourchier, for example, argued in 1999 that "ABRI's public disgracing and the graphic exposure of systematic human rights violations in the media seemed to signal a significant shift in the constellation of power" (Bourchier 1999: 166). Such assessments, however, overlooked the entrenched nature of the military's power structures. Its deeply rooted societal networks enabled the military, in spite of continuing institutional reform and sharp scrutiny of its history, to adjust effectively to the changed political context of the postauthoritarian era. This adaptation was highlighted by the fact that some of the structural reforms initiated by the Habibie government actually worked in the military's favor. Most important, the decentralization laws of 1999 prepared the scene for a substantial

transfer of political authority and financial resources into the regions, where the armed forces had a strong presence through their network of territorial units. Decentralization thus offered the armed forces increased opportunities to access the budgets of local governments at the district level, where most of the new decentralization funds were concentrated. With political parties struggling to establish a presence at the grassroots, and legislatures and bureaucracies trying to cope with their new roles, the military stood out as the only institution with a widely connected and already tested infrastructure.¹³

Between the Past and the Present: TNI, the 1999 Elections, and East Timor

Growing intra-elite tensions surrounding the parliamentary and presidential elections in June and October 1999 accelerated the adaptation of the military to the political system of the post-Suharto era. The impact of this struggle for political hegemony was reflected in the changing relationship between the armed forces and the president in the second half of Habibie's term. In the early period of his government, Habibie was able to rein in the military elite by applying a combination of "persuasion" and compromise. The electoral process, however, substantially weakened Habibie's position. His Golkar party only came in second in the parliamentary elections in June 1999, in which TNI had remained neutral both in rhetoric and in practice. The party of Megawati Sukarnoputri, PDI-P (Partai Demokrasi Indonesia Perjuangan, Indonesian Democratic Party of Struggle), finished first with 33.7 percent of the vote, turning Megawati into the front-runner for the election of the president in October by the MPR. Furthermore, a number of political and financial scandals crippled the Habibie government throughout 1999, motivating even Golkar to consider other presidential candidates. Deserted by large segments of civil society and the political elite, Habibie increasingly resorted to the armed forces as his last hope for a second term. In addition to TNI's thirty-eight seats in the MPR, enough to potentially swing the election in Habibie's favor, it possessed a vast network of informal relationships. Wiranto, however, was approached by other contenders as well, particularly by Megawati, but also by Abdurrahman Wahid, who had the backing of a coalition of Muslim parties. Only one year after the end of authoritarian rule, the actors of the new democratic polity were lobbying the armed forces for their political support.

The gradual intensification of intracivilian conflict throughout 1999, and the way the armed forces benefited from it, signaled the rise of a new dominant theme in post-Suharto civil-military relations. From early 1999 onward, disputes between Indonesia's key civilian forces over political positions and the resources attached to them—not the policy compromises characteristic of late-1998—became the main factor shaping the scope and quality of reform. This phenomenon confirmed the Finerian notion that the quality of civilian politics has a direct impact on the disposition of militaries to intervene in political affairs (Finer 2003: 86–89). In countries with strong civilian parties and institutions which share a common understanding about military subordination to civilian rule, militaries find it difficult to interfere in the political process. States with weak political institutions and high degrees of intracivilian conflict, on the other hand, are much more likely to see military engagement in politics. In Indonesia, the competition during the elections of 1999 pointed to vast opportunities for the armed forces to use the increasing civilian fragmentation to their advantage. In the parliamentary elections, for example, major parties refrained from campaigning on a platform of military reform, fearing that they might alienate senior generals whose support was needed in the fight over the presidency. The conflicts of 1999 were only a prelude, however, to a far more serious and wide-ranging confrontation between Indonesia's most influential civilian groups in the years to come.

The competition for the leadership of the first democratic government since the late 1950s ended with Habibie's defeat and the election of Abdurrahman Wahid as Indonesia's fourth president. Shortly before the vote in the MPR, the military had shifted its support from the incumbent to Wahid. Publicly declining Habibie's offer to run as his vice-presidential candidate, Wiranto had entered into negotiations with Wahid instead.¹⁴ The NU chairman, for his part, promised Wiranto that he would play a prominent role in the new government, and even indicated to the armed forces chief that he had a chance to become vice president. Equally important, of course, were Wahid's guarantees that the military's interests would be "protected" if he won the election.¹⁵ Convinced that it had secured a fair political deal, the armed forces leadership finally instructed its representatives to vote for Wahid, who subsequently beat Megawati by a margin of 373 to 313.¹⁶ Wiranto's hopes for the vice presidency were dashed, however, when Wahid decided to support Megawati for the post. The disappointed TNI leader was compensated with a key

cabinet seat, and further ministerial positions went to Yudhoyono and Agum Gumelar, another reform-minded officer who had supported Wiranto during the competition with Prabowo.

The inclusion of prominent military figures in the post-Habibie government pointed to the political transformation of the armed forces in the first eighteen months of the democratic system. From the main pillar of Suharto's regime, with the clearly defined and enforced agenda of prolonging the rule of the incumbent, the armed forces had grown into an entity with reduced institutional privileges, but expanded political flexibility, internal autonomy, and informal influence on the outcome of inter-elite competition. Wahid admitted as much before his victory: "You still can't become President in Indonesia without the military. They're out of the bureaucracy, and all of that, but that's nonsense. Nonsense! They're still strong, and Wiranto will support me to become President."¹⁷

Wahid's analysis reflected pride in his ability to use military support in outplaying his civilian opponents and assuming power, but it would also turn into a self-fulfilling prophecy affecting his own term in office. The events of the following two years would demonstrate that in addition to obtaining military support to gain the presidency, it was equally essential for the incumbent to maintain that support if he wanted to stay in power. The deep involvement of the military in the struggle for political power exposed the fragmentary character of the first-generation reforms initiated during Habibie's interregnum. The continued entanglement of the armed forces in

the competition among civilian leaders and the persistence of the territorial command system were important indicators for the slow progress in the civil-military transition. Moreover, Richard Gunther (2001: 151) has pointed to another crucial deficiency in military reform, arguing that the TNI's continued representation in parliament, albeit reduced, endowed "the military with 'reserve powers' that might be invoked to frustrate a democratic mandate."

However, the most striking evidence for the success of the armed forces in avoiding subordination to civilian control was its independent

The deep involvement of the military in the struggle for political power exposed the fragmentary character of the first-generation reforms

political operation in East Timor, where the government and the United Nations held a referendum to determine the future status of the territory occupied by Indonesia since 1975.

the military openly mobilized militias to terrorize proponents of East Timor's independence

Despite its formal support for the referendum, the military openly mobilized militias to terrorize proponents of East Timor's independence and intimidate voters into endorsing the special autonomy package offered by Indonesia (Kammen 2001; Greenlees and Garran 2002). When the East Timorese voted for independence nevertheless in September

1999, disgruntled army units and the militias supported by them went on a rampage, killing at least 1,300 people.

The devastation of East Timor was a consistent extension of the “culture of violence” that Geoffrey Robinson (2002: 273–74) described as an inherent feature of TNI’s thinking and operational behavior. The carnage also suggested that the reforms implemented since 1998 had led to only superficial change in the way the armed forces conducted their security operations. Despite its formal repositioning as an apolitical defense force, it appeared that the military, or at least influential elements within it, had decided to circumvent the civilian government’s instructions, engineer a vote that was in its institutional interests, and lay waste to East Timor when that goal was not achieved. As a result, Indonesia suffered a major international embarrassment when it had planned to score a diplomatic victory, and President Habibie, who was widely believed to have eyed the Nobel Peace Prize, was voted out of office one month after Australia and the United Nations moved into East Timor.¹⁸

The events in East Timor not only highlighted the ineffectiveness of the first generation of military reforms. They also served as a painful reminder to the officer corps that in an environment of increased public scrutiny, conventional intelligence operations had ceased to be effective tools for intervening in political affairs (Robinson 2001: 254). The military’s adaptation to postauthoritarian politics had rested on its ability to use the new democratic polity for its purposes; the operation in East Timor, in contrast, was driven by the false assumption that the referendum could be won with traditional New Order instruments of intimidation and political manipulation. In many ways, the failure to orchestrate the East Timor ballot in

Indonesia's favor marked the end of a transitional period that had seen many New Order practices simply extending into the democratic polity. The East Timor debacle and the election of Abdurrahman Wahid as Habibie's successor in October 1999, it seemed, symbolized the beginning of a new phase in postauthoritarian politics in which these practices were no longer applied in their traditional forms, but needed to be assimilated to the norms and rules of democratic competition.

Radical Reform, Radical Failure: The Wahid Presidency, 1999–2001

The legacy of the Wahid presidency for military reform in Indonesia can hardly be overestimated. This is true for both the reformist policies it pursued and the serious consequences its failures incurred. The Wahid government launched the most courageous military reform project in many decades, only to witness its collapse triggering stagnation and regress. The Wahid years provide the key to understanding the consolidation of military self-confidence after 2001, the renaissance of ideological conservatism throughout the ruling elite, and the emergence of retired generals as top political contenders in the post-Wahid era.

Wahid's Radical Reform Initiative

On paper, the ascension of Abdurrahman Wahid to the presidency offered improved prospects for accelerated civil-military reforms. To begin with, the establishment of the first democratically elected executive since 1955 removed large segments of the former New Order elite from government. Moreover, the participation of most political parties in the cabinet appeared to provide the very "unity of democratic purpose among civilian elites" that Diamond and Plattner view as a precondition for successful military reform in democratic transitions. The armed forces had also just suffered a humiliating defeat in East Timor, leading to increased external pressure on Indonesia to reform its military structures. Finally, the new president also seemed to have the necessary political credentials to speed up military reform. Abdurrahman Wahid was widely viewed as a democratic reformer, despite his controversial role in late New Order politics. Kammen and Chandra (2002: 103) noted that Wahid's "strong Islamic

***The Wahid government
launched the most
courageous military reform
project in many decades***

credentials, political savvy, and wit were expected to tame the military beast.” The new president took office with a sound understanding of the depth of military intervention in Indonesian politics, and he immediately began to dismantle the network on which it was based. Starting with his personal surroundings, he sought to marginalize armed forces officers in the palace bureaucracy.¹⁹ His secretary, Ratih Hardjono, for example, spent much of her first working days removing military tapping devices from the presidential residence and office.²⁰

In the first months of his administration, Wahid “took a series of measures to exert civilian control over the military and rein in the Army” (Editors 2000: 126). He appointed Admiral Widodo, a navy officer, as TNI commander, drawing from the service that, according to Eric Heginbotham (2002: 121–22), was “significantly more sympathetic to liberal political and economic positions” than the land forces. Compensating key army officers like Wiranto, Yudhoyono, and Gumar with cabinet posts, Wahid removed them from command positions and elegantly ended their military careers. He also appointed a widely respected civilian academic as minister of defense (the first since the early 1950s), disbanded a military-coordinated security agency notorious for its political surveillance activities, and abolished the socio-political offices at the Ministry of the Interior, a traditional military stronghold. Wahid, it appeared, was determined to initiate a radical process of military reform and enforce civilian supremacy over the political realm.

The replacement of several army generals who had risen to prominence under Suharto’s rule aimed at the very break with the New Order military that Habibie had not achieved. Wahid had identified Wiranto as the major obstacle to further military reform and consequently moved to destroy the latter’s patronage network spread throughout the TNI hierarchy. In this context, he asked his personal confidant, Matori Abdul Djalil, the chairman of the NU-affiliated PKB (Partai Kebangkitan Bangsa, National Awakening Party), to come up with a list of military officers who could be expected to take the lead in revamping TNI’s institutional structures.²¹ Topping the list was Agus Wirahadikusumah, who had been a member of the small circle of military reformers during the final years of Suharto’s rule. He was dissatisfied with Wiranto’s slow pace of internal reform, exposing the fissures within the group of relatively moderate military officers that had negotiated Suharto’s resignation and had subsequently assumed leadership of the post-1998 military. Shortly before joining the

cabinet as coordinating minister for political and security affairs in October 1999, Wiranto had sent Wirahadikusumah off to Makassar as regional commander of Sulawesi Island.²² However, Wahid quickly decided to bring him back to Jakarta and groom him as the future commander of the armed forces.²³ In order to catalyze this paradigmatic change in the military leadership, Wahid forced Wiranto to resign from the cabinet in February 2000, citing the result of an official inquiry into the violence in East Timor, which had implicated Wiranto. Shortly afterward, the president arranged the appointment of Wirahadikusumah to head Kostrad, replacing close Wiranto associate Lt. Gen. Djadja Suparman.

The most important indication of Wahid's seriousness in pushing the reform of the armed forces was his encouragement of debates on the future of the territorial command structure. This command system, with its fund-raising capacities and opportunities for political intervention, was at the core of TNI's institutional interests. The territorial units had been excluded from TNI's reform agenda in 1998, and except for the nominal abolition of their political intelligence units, had survived the postauthoritarian transition almost unchanged. Defense Minister Juwono Sudarsono (2000) estimated that "over 70 percent of our defense spending are accrued from off-budget sources" at the national and local levels. Despite increased competition after 1998 from the police and a league of paramilitaries, which also sought economic engagements to raise their funds (Kristiansen and Trijono 2005: 237), the army's local units remained primary contenders for protection contracts with entrepreneurs and their often questionable operations.

Consequently, the vast majority of officers wanted to maintain the territorial concept and the benefits attached to it, with only a small number recommending its reform (Aribowo: 117). It was Agus Wirahadikusumah's trenchant criticism of the system—most eloquently presented at a parliamentary hearing in December 1999—that had caught Wahid's attention and made him the president's choice to lead the military into a new phase of reforms. In Wirahadikusumah's view, the lower levels of the command structure were leftovers of the authoritarian past and therefore completely disposable: "Why do we need a territorial

***[Wahid encouraged]
debates on the future
of the territorial
command structure***

unit in Wonosobo? Will the enemy attack us there? No, we have those units because lazy, inflexible officers have become complacent playing politics, making money, and retire on a nice civilian post out there. That has nothing to do with defense.”²⁴

The speed with which TNI headquarters adopted the reform rhetoric appeared to confirm Wahid’s strategy of rapid and extensive change. In April 2000, a TNI leadership meeting endorsed Wirahadikusumah’s proposal for a pilot project aimed at the partial disbandment of the two lowest levels of the command system in selected urban areas. The project was designed as a starting point for a much larger effort, namely the gradual dismantling of the territorial structure from the Korem level downwards.²⁵ Wirahadikusumah had already begun in February to cooperate with several universities and think tanks on the development of such plans, and the official TNI endorsement seemed to clear the way for the most substantial reform of the armed forces since the late 1950s. Wahid’s biographer Greg Barton (2002: 384) concluded, rather prematurely, that the president had “tamed” the military, calling it one of his “greatest successes.”

Military Factionalism under Wahid

The unprecedented depth and scope of the reform effort triggered the most extensive fragmentation of the military elite since May 1998. The armed forces leadership around Wiranto had been relatively homogeneous during Habibie’s interregnum, but the increased pressure for military reform brought the paradigmatic differences within the officer corps into the open. The disagreements among generals previously loyal to Wiranto, which in the past had been papered over by their joint opposition towards Prabowo, now gave rise to distinct and antagonistic factions. Agus Wirahadikusumah, who according to Bourchier and Hadiz (2003: 280) was “in favor of much more sweeping reforms than his commanding officers were prepared to countenance,” led the faction of rapid reformers. The goal of this group was to accelerate the assimilation of military structures and norms to the conditions of the new democratic polity. To achieve this, Wirahadikusumah aimed to interact with politicians and state institutions, create a favorable public image in the media, and develop ties with civil society groups:

This is a new era. In the past, an officer had to suck up to Suharto to get promoted and have influence. Now it is much more complicated. You have to play your cards right. The politicians must like you, the media

must like you, only then you're a winner. They call me the multimedia officer. Let them do that, I don't care.²⁶

Chandra and Kammen (2002: 114) noted that the faction led by Wirahadikusumah consisted almost exclusively of members of the military academy class that graduated in 1973. They maintained that the large size of the 1973 class and its entanglement in an unsupportive promotion pattern had significantly reduced the career prospects of its members. The reformist attitude of 1973 officers was, in this view, a logical attempt to break the monopolization of top positions by the 1970 and 1971 classes. This explanation is questionable for a number of reasons. First, the reformist attitudes of Wirahadikusumah and some of his associates could be traced back at least to the 1980s, well before the reshuffle cycles of 2000 became apparent. Second, many rapid reformers in the 1973 class, including Wirahadikusumah, were on track for promotions to senior positions when the split within the ranks occurred. Third, some prominent graduates of 1973 did not belong to the group of rapid reformers, like Yudhoyono and Ryamizard Ryacudu, who were members of different factions. Fourth, Chandra and Kammen's excessive emphasis on the technical aspects of promotion patterns ignores the political and personal attitudes of senior officers that reflect individual family backgrounds, socioeconomic conditions and intellectual development. It appears that the latter combination of factors played a much larger role in determining conceptual positions than the inconclusive reference to reshuffle patterns.

The rapid reformers defined their agenda largely to counter that of their major rivals, the conservative officers opposed to wide-ranging military reforms. Compromised mostly of army generals with strong personal ties to Wiranto, the dominant view within this faction was that the reforms undertaken since 1998 had been sufficient, and in some cases even excessive. Many officers in this camp believed that Suharto's removal had been inevitable, and that the military had to make adjustments if it wanted to survive under the new democratic regime.²⁷ But they were also determined to ensure that the core institutional interest of the armed forces, namely their organizational autonomy from interference by civilian governments, would not be undermined by ongoing and future reforms. Under Wahid, this faction felt a deep sense of marginalization as its main patron, General Wiranto, was removed from both the military leadership and cabinet. With Wiranto loyalists gradually replaced by more reform-

minded officers, the conservative generals not only saw their agenda threatened, but also began to fear for their individual careers. The group accused the rapid reformers of sacrificing TNI's interests in order to promote their personal objectives, and were fiercely opposed to Wirahadikusumah's push for accelerated change in the armed forces. After Wiranto's dismissal, Djadjaj Suparman emerged as the informal leader of the conservative faction. He had not only lost his Kostrad command to Wirahadikusumah, but was also the target of corruption charges initiated and publicized by his successor. Suparman felt that his reputation and career had been destroyed, and he held Wirahadikusumah personally responsible for this.²⁸

In an additional twist that pointed to the shifting interests in the conservative camp, many of its officers began to build relationships with the very militant Muslim groups they had previously opposed in their competition with Prabowo. Wiranto, for example, who had warned against the mobilization of pro-regime Islamist militias in the final phase of Suharto's rule, discovered the usefulness of radical Muslim organizations while organizing crowds in defense of the Habibie government in the second half of 1998. From then on, Wiranto cultivated personal ties with many leaders of Muslim groups at the fringes of the political spectrum. Consequently, when Indonesia's human rights commission in 2000 questioned Wiranto over his role in East Timor, the militant FPI (Front Pembela Islam, Front of the Defenders of Islam) was one of the few societal groups to stage demonstrations in his support. In the same vein, Djadjaj Suparman, seen as a solidly "secular" general prior to Suharto's fall, was now widely believed to have close contacts with FPI and other Muslim militias, including some that were engaged in conflicts with Christian groups in the Moluccan Islands.

Chandra and Kammen (2002: 141) asserted that the opponents of accelerated reform originated largely from the 1970 and 1971 classes which had occupied the majority of command posts in the period leading up to Wahid's ascension to power. Their rejection of reform, Chandra and Kammen argue, was a tool to prevent the 1973 class from further rising through the ranks. Once more, this argument has several loopholes. Agus Widjojo, for instance, was a 1970 graduate *and* a leading gradual reformer (see below). Furthermore, Widjojo's classmate, Army Chief of Staff Tyasno Sudarto, initially supported Wirahadikusumah's calls for reform in the hope that this might improve his political standing. These examples show that opposition to reform was not an inevitable choice for the 1970 and

1971 classes, but that their members possessed (and exercised) a wide variety of options. Similarly, some of the most vocal members of the anti-reform group were graduates from the classes of 1972 and 1973, like Suparman, Bibit Waluyo, and Ryacudu. Opposition to reform, therefore, appeared to have been rooted in specific circumstances rather than attachment to a certain class.

The resentment of Wirahadikusumah and his reform proposals aligned Suparman and his associates with the third faction in the armed forces, the gradual reformers. Susilo Bambang Yudhoyono had previously been the leading gradual reformer, but after he joined the cabinet, the most prominent officer in this group was the new chief of staff of territorial affairs, Agus Widjojo. Widjojo and Wirahadikusumah had been close associates in the 1980s and most of the 1990s, but their relationship had disintegrated with the latter's rapid ascent under Wahid. Widjojo believed that reform had to proceed at a faster pace than envisaged by Wiranto but not as rapidly and less radically than that pushed by Wirahadikusumah. In the short term, however, he viewed Wirahadikusumah's populism as a more immediate threat to the coherence and dignity of the armed forces.²⁹ Widjojo and his office refused to cooperate with the army's pilot project to disband segments of the territorial command structure and began to develop counter-proposals instead. Widjojo was not, however, "vehemently opposed to the liquidation" of territorial units, as some observers assumed (Sumarkidjo 2001: 143). His plan envisioned that territorial tasks previously carried out by the armed forces be handed over to provincial administrations within a timeframe of up to twenty years, accompanied by the gradual dismantling of the lower levels of the command structure (Mietzner 2003). This gradual approach, Widjojo argued, would allow for institutional adjustments and avoid uncertainty within the officer corps over possibly negative consequences for individual careers.

The intensity of intramilitary conflict in the early Wahid period indicated that the president's initiative to reform the armed forces was taken very seriously by its opponents and supporters within the ranks. The

***Widjojo refused to
cooperate with
the...project to disband
segments of the territorial
command structure***

opponents of further military reform, for their part, began to realize that they could no longer negotiate compromises with the executive in order to protect the main elements of the military's power base. Wahid, it appeared, targeted nothing less than the fundamentals of TNI's political and economic influence, and he seemed to have the necessary political will and backing to succeed. In the same vein, the rather small faction of rapid reformers was sufficiently convinced of the government's seriousness that it took the risk of isolation from the military mainstream by siding with Wahid and carrying out his reform orders.

Thus the extreme levels of factionalism reflected the belief within the officer corps that, for the first time since the 1950s, the civilian elite was strong enough to push through wide-ranging reforms of the military against the explicit wishes of the armed forces leadership. This phenomenon, in turn, highlighted the relevance of Finer's observations on the link between the state of civilian politics and the extent of military intervention in political affairs. In the early phase of Wahid's rule, the prospect of a solid civilian coalition insisting on the acceleration of military reform shocked conservative officers and encouraged the reformers, creating disunity in the ranks and weakening the armed forces as a single political actor. For a while, it even appeared as if the military was paralyzed in the face of united civilian leadership. This paralysis did not last long, however. Once again proving Finer right, the military (or more precisely, the opponents of further reform within it) soon recovered its strength amid escalating intracivilian conflicts and the subsequent disintegration of Wahid's government.

Subversion or Disintegration? The “Sudden Death” of Reform

Despite favorable political conditions at the beginning of his term, Wahid saw his military reform initiatives faltering before they had reached the stage of actual implementation. Many of the rapid reformers lost their positions only months after their appointments, and the reform projects they had intended to launch never materialized. Two divergent sets of propositions have been put forward for this abrupt termination of radical reform. Damien Kingsbury (2003), on the one hand, argues that the armed forces sabotaged Wahid's reform projects, working behind the scenes to orchestrate his downfall. Authors like Jun Honna (2003: 184), on the other hand, focus more on the political blunders of the president that put him “in a position in which he was forced to make concessions to ensure the loyalty of the military, or at least to avert a show of defiance.”

There is no doubt that the mainstream of the armed forces opposed the radical reform measures introduced early in Wahid's rule, and that it used every opportunity to halt and overturn them. Kiki Syahnakri, then deputy army chief of staff, admitted that the military rejected Wahid's "tendency and attitude to break into technical military areas," violating "mechanisms and strict procedures" (Syahnakri 2003). It was the president himself, however, who created the political context in which such opposition proved effective. Malik Haramain (2004: 339) points to the "conflict between the President and Parliament that provided TNI with the opportunity and self-confidence to show open opposition and insubordination to the President." From virtually the first week in office, Wahid began to dismantle the civilian support network that had voted him into office. Between November 1999 and May 2000, he fired several ministers from PDI-P, Golkar, and the Islamic PPP (Partai Persatuan Pembangunan, United Development Party), appointing personal loyalists in their stead. In addition, Wahid intervened in legal proceedings and in the internal affairs of state enterprises, apparently in order to promote the political and economic interests of his major financial patrons. Moreover, he appeared increasingly erratic, threatening to arrest his political adversaries and producing headlines with controversial statements and policies on an almost daily basis. Gradually excluded from power and disillusioned with the president's leadership, the parties that had secured Wahid's election began to unite against him (Mietzner 2001). In his study on the "perils of presidentialism," Fukuyama (2005: 109) concluded that once Wahid's "poor decisions cut him off from the kind of major-party support that he needed in Indonesia's quasi-parliamentary system, the drop was very steep and he was effectively finished."

The erosion of Wahid's civilian support base removed one of the major preconditions for the successful implementation of radical military reform. The further the alienation between the president and key political parties and organizations progressed, the more conservative elements in the military elite felt encouraged to oppose structural reform of the armed forces. In the lead-up to the annual session of the MPR in August 2000, during which Wahid had to account for his first ten months in office, the president gave in to the demand of the TNI leadership to sideline Agus Wirahadikusumah and abort the reform initiatives he had initiated. Wahid's move was designed to secure political backing from the armed forces mainstream, compensating for the dramatic loss of support from

civilian groups in and outside the legislature. Shortly before the session commenced, Wirahadikusumah was relieved of his Kostrad command and assigned to a desk job at TNI headquarters. This was followed by Wahid's announcement to the Assembly that he would delegate responsibility for internal TNI affairs to his deputy, Megawati Sukarnoputri, who had been in contact with conservative elements in the top brass for some time, largely in order to express frustration over her own isolation from government business (Said 2001: 351). She had joined forces with senior officers in June in demanding the dismissal of Bondan Gunawan, Wahid's state secretary and a close civilian ally of Wirahadikusumah.³⁰ The fact that Megawati was handed increased authority over TNI was thus greeted with great satisfaction in conservative military circles. Evidently, the opponents of accelerated reform in the armed forces had successfully used the conflict between the presidency and the legislature to pursue their interests, and the initially rapid pace of military reform came to an almost complete standstill as a result.

The political events surrounding the MPR session of 2000 suggest that it was the president's rapid loss of civilian support, rather than subversion by the armed forces, that caused the sudden stagnation in military reform. Although some observers have stated that Wahid had no other choice than to compromise with opposition officers in the military, his presidential crisis was largely self-inflicted. William Case (2002: 73), for example, asserts that Wahid needed "to avoid antagonizing the hard-liners" in the armed forces "if Indonesia's new democracy was to persist." It is almost certain, however, that sufficient backing in the legislature would have allowed Wahid to isolate conservative officers

*[Wahid's] presidential crisis
was largely self-inflicted*

effectively and continue with the rapid reform of TNI. The armed forces were only in a position to oppose presidential authority when political circumstances allowed them to do so (Lee 2000: 706). In February and March 2000, when the scope of Wahid's political decline was still unclear, the armed forces leadership felt institutionally obliged to comply with his instructions. Only several months later, after the implications of the president's isolation from the political elite were fully evident, did the military elite grab the opportunity to launch effective attacks on his reform policies.

The Threat of Emergency Rule and Wahid's Fall

Isolated from the political elite and powerless to rein in the armed forces, Wahid resorted to increasingly irrational threats against his opponents. When Parliament issued a memorandum in February 2001 to initiate a process aimed at his impeachment, the president threatened to “freeze” the legislature, declare a state of emergency, and use the security forces to execute his orders. Army Chief of Staff General Endriartono Sutarto, however, indicated that the military would not carry out such instructions (Malley 2002: 132). Unintentionally, Wahid had provided the armed forces with the unique opportunity of portraying themselves as having completed the self-transformation from Suharto’s repressive tool to a democratically aware and responsible defense force. TNI leaders maintained that their opposition to the emergency decrees proved their “consistency in implementing TNI’s New Paradigm (. . .), its neutrality and non-involvement in practical and partisan politics and its refusal to be used as an instrument of power” (Markas Besar TNI 2001c: 57). Military opposition toward Wahid, previously widely described as defiance vis-à-vis civilian supremacy, now gained recognition as an act protecting democratically legitimized institutions of the state. Wahid’s associates were puzzled that the public began to see Wahid no longer as a reformer but as a “dictator.”³¹ In more conceptual terms, Dan Slater (2004: 68) suggested that “Wahid dove ever deeper into delegative democracy’s bag of tricks,” referring to O’Donnell’s notion of a system in which democratically elected leaders use authoritarian methods to stay in power (O’Donnell 1994).

The military’s description of its own role in the Wahid polity echoed similar themes that had circulated in the political chaos of the 1940s and 1950s. Back then, high levels of political conflict among the civilian elite had allowed the armed forces to depict themselves as an apolitical institution above partisan interests, a mediator between divided parties and a defender of national interests. Under Wahid, these traditional elements of the military’s self-perception not only were resurrected, but were expanded to include the protection of democratic values. In addition, TNI saw its

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of the state***

usual notions of civilian incompetence and adventurism confirmed, providing it with welcome arguments to establish normative limits to civilian control over the military.

While much of this internal military discourse reflected necessarily biased self-appraisals, many Indonesians came to a similar view. Opinion polls showed a dramatic increase in the approval ratings of the military,³² and both the president and his opponents were lobbying the armed forces to side with them in their struggle for political hegemony. This fact was at odds with the proposition developed by Rabasa and Haseman (2002: xiv) that it was the military that suffered most from conflicts within the civilian elite. For TNI, intracivilian fragmentation offered the potential for gaining wide-ranging political concessions from various sides. In the words of one Australian observer, the military warmed up to the idea “that the longer the turmoil continues, the more Indonesians may come to see it as the last hope for stability” (Dibb 2001: 839).

Wahid’s attempt to use the security forces in his fight with the opposition not only damaged his reputation as a democratic reformer, but also catalyzed the impeachment proceedings against him. In May 2001, the national parliament, DPR (Dewan Perwakilan Rakyat), issued a second memorandum against the president, fulfilling the formal conditions for a special session of the MPR to decide on Wahid’s dismissal should the latter not respond satisfactorily to Parliament. Subsequently, the president stepped up his preparations for the declaration of a state of emergency and the dissolution of the legislature. Faced with an unsympathetic military mainstream, however, Wahid turned to the police for support. In June, he tried to install Chaeruddin Ismail as chief of police, replacing Gen. Bimantoro, who was known to be close to Megawati. According to an MPR decree passed in 2000, the president had to seek the approval of Parliament before appointing or dismissing a TNI commander or chief of police; Wahid therefore opted to “suspend” Bimantoro and appoint Ismail as deputy chief with full executive powers. Bimantoro refused to leave office, however, and the constitutional conflict between the presidential office and Parliament over the issue further aggravated political tensions. When Wahid threatened to bring thousands of fanatical supporters from his stronghold in East Java into Jakarta to defend him (Feillard 2002), the president lost his last ally: Megawati. On July 18, she met with leading figures of the opposition and declared that a special session of the MPR was “unavoidable.” Cornered by his vice president,

Wahid named Ismail chief of police and asked his staff to draft a decree for the declaration of a state of emergency. As an open violation of existing constitutional requirements, Ismail's appointment provided the DPR with the legal trigger to convene a special session of the MPR. The Assembly began on July 21 to hear the impeachment charges, and there was little doubt that it would dismiss Wahid and install his deputy to serve out the remainder of his term.

The president's last chance for political survival rested with individual officers in the security forces who might have been willing to carry out his orders. Ismail was one such officer, but he was effectively sidelined by Bimantoro and was never endorsed by the vast majority of the police top brass. On the military side, Wahid offered the post of TNI commander to Lt. Gen. Johny Lumintang. Lumintang's frequent visits to the palace caused speculation within the ranks that he was considering the offer, but he ultimately refused. The other officer who was mistakenly seen as siding with Wahid was Lt. Gen. Ryamizard Ryacudu, the commander of Kostrad. On July 22, his troops paraded in front of the palace, leading the president to believe that he had won an important military ally. Consequently, Wahid associates made the rounds to other senior military officers, aiming to convince them that the political constellation was shifting in their favor. They even visited one of Wahid's most trenchant military critics, Djadjaj Suparman, who in turn contacted Ryacudu and confirmed that the rumours about him were baseless.³³ Ryacudu's clarification exposed the president's isolation from the security forces that were formally under his command. By violating clearly defined regulations, Wahid offered the police and the armed forces strong arguments to defy his instructions and ignore his authority. As Liddle (2003) put it, "the generals rejected Gus Dur's last-ditch attempt to save himself by staging a Sukarno-style coup against the MPR." On July 23, the military and police faction in the MPR voted with most of the other parties to oust Wahid from office and appoint Megawati as his successor.

The fall of Wahid brought one of the most chaotic periods of Indonesia's postauthoritarian transition to an end. Launched with promises of sweeping political change, Wahid's presidency collapsed under massive conflicts within the elite and ultimately left mixed legacies for democratic consolidation and civil-military relations. On the one hand, Wahid was responsible for some of the most innovative policy initiatives ever presented by an Indonesian executive, including offers of fresh negotiations

with the separatist movements in Aceh and Papua and wide-ranging reform of the armed forces. On the other hand, the president instituted authoritarian patterns of political interaction and promoted economic favoritism that channeled resources to his closest associates and constituencies. This ambivalence remained even in the highly charged atmosphere of his final months in office: while he tried to use the armed forces against his opponents, and offered political concessions to them in the process, small steps toward the institutional reform of the military continued. There were

Wahid's presidency collapsed under massive conflicts within the elite

two main initiatives in this regard. First, the MPR passed two decrees in 2000 that defined the task of the military as being focused exclusively on defense, while internal security was to be handled by the police. The same decrees also finalized the departure dates of TNI personnel from Parliament for 2004 and from the MPR for 2009 "at the latest."³⁴ Second, Wahid

encouraged intensive civil society participation in the drafting of a new State Defense Bill, designed to replace the web of New Order laws that had legitimized the military's political role (Tim Propatria 2004). Such levels of civil society engagement in deliberating defense legislation are typically found in postauthoritarian states that have already begun the second generation of civil-military reforms. That it was achieved in Wahid's Indonesia provided, in the words of his second minister of defense, Mahfud MD, "a glimpse of what could have been if (Wahid) had not created such a mess."³⁵

Both in its courageous reform drive and its dramatic failure, the Wahid presidency exposed two major realities of civil-military relations in Indonesia's postauthoritarian transition. First, the political influence of the armed forces rose and fell proportionately to the level of conflict within the civilian elite. Backed by a large coalition of political parties, Wahid was able to launch an ambitious military reform program at the beginning of his term. As the alliance fell apart, so did the prospect of substantially reforming the armed forces. Rizal Sukma and Edi Prasetyono (2002: 25) concluded that it was this "protracted tension and competition among civilian political forces and elites" that compromised the "bargaining position of the civilians" vis-à-vis TNI. Another study on Wahid's rule concurred that "although there was a formal commitment to ending military engagement in politics, the requirements of real politics forced civilian

politicians to be pragmatic and seek support from TNI (...) to confront their political opponents" (Anwar 2002: 213). Second, the central role of the military in the struggle over Wahid's presidency revealed the limitations of the first generation of military reforms. The TNI leadership was able to exert significant political influence despite the ongoing institutional depoliticization of the armed forces, indicating that their powers rested more on their traditional security function than on the number of cabinet or parliamentary seats that they held. For the military elite, this circumstance provided evidence that its interests were perfectly compatible with the structures and dynamics of the democratic polity. No government could afford to alienate the armed forces, and opposition groups regularly approached military leaders to pull them over to their side. Whatever the outcome of political conflicts, the armed forces were certain to profit from them.

TNI Consolidates: The Megawati Presidency, 2001–04

Many observers have singled out the Megawati presidency as the period in which military reform stagnated and eventually regressed. While this is historically accurate, the lackluster leadership of Megawati, whom Sidney Jones once called "sort of a mascot" of the armed forces,³⁶ was not the only factor to blame. Inheriting a state torn by a year-long constitutional crisis, Megawati not only had to deal with a significantly strengthened military, but also was confronted with several domestic and international trends that were hardly of her making (Qodari 2005: 85). The rising threat of international terrorism, which in 2002 finally reached Indonesia, handed the armed forces additional rationale to delay further reform of its command structure. In addition, the renaissance of nationalist-unitarian notions of state security, which Megawati certainly endorsed, was not only a government-driven initiative, but had taken hold of Parliament, the media, and society as a whole. In short, the stagnation in military reform was much more a product of general societal processes than the critics of Megawati's political apathy were ready to admit.

*The rising threat of
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handed the armed forces
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Concessions and Nationalist-Unitarian Renaissance

Among the most important factors behind the changing civil-military relationship in the post-Wahid period were the concessions that Megawati granted to TNI in order to anticipate possible challenges to her rule. In extending more privileges to the armed forces, she continued and accelerated a trend started under the previous government. Wahid had been giving concessions to the military elite since mid-2000—terminating the reform of the territorial command structure, removing controversial officers, reversing his liberal positions on separatism, and allowing security crackdowns in Aceh and Papua. Megawati, anxious to secure military support in case the political elite deserted her, expanded these concessions to include greater institutional autonomy and increased influence on security affairs. In a wide-ranging reshuffling of the top brass in 2002, the post of TNI commander was returned to the army and taken over by Sutarto, an open-minded yet determined defender of the military's interests.

Megawati also supported the promotion of Ryamizard Ryacudu to the position of army chief of staff. Ryacudu was known for his conservative ideological views and his opposition to further military reform, making him politically controversial but popular with the army mainstream. As minister of defense, Megawati appointed Matori Abdul Djalil, who had just lost the chairmanship of PKB over his involvement in Wahid's impeachment and was therefore without any significant political support base. Deprived of his patronage network and lacking knowledge of the conceptual and technical aspects of military affairs, Matori sought to compensate by driving a course of accommodation toward the military elite.³⁷ In August 2003, after two ineffective years as minister, Matori suffered a stroke, and Megawati did not fill the position before the expiration of her term in October 2004. Megawati's disengagement from details of military management, combined with the vacancy in the Department of Defense, left the military largely in control of its internal affairs throughout Megawati's rule.

The fact that Megawati felt it necessary to grant concessions to the military pointed to continued splits within the civilian elite. Apparently, Megawati was deeply distrustful of the political leaders who had facilitated Wahid's downfall and her ascent to the presidency. Although she had received assurances from senior politicians that she would be allowed to serve out her term, Megawati found it wise to keep the military on board should that pledge be dishonored. Many of the party leaders who prom-

ised not to challenge her rule until new elections in 2004 had experienced difficult relations with Megawati in the past, often reaching back to the 1980s and 1990s. Her relationship with modernist Muslim leader Amien Rais was particularly problematic. A university professor who had often made fun of Megawati's intellectual mediocrity, Amien Rais had been the key operator behind moves to deny her the presidency in 1999, and had worked toward Wahid's dismissal only months after brokering his election. This distrust between key civilian leaders, aggravated by the constitutional crisis of 2001, convinced politicians to maintain good relations with the military, particularly after assuming executive office. A kind of life insurance against desertion by political allies and attacks by long-time opponents, concessions to the military became an integral part of post-Suharto civilian politics, with negative implications for the process of military reform.

Megawati's strategic concessions to the armed forces coincided with significant shifts in the ideological and political disposition of large segments of the civilian elite from the second half of 2001 onward. Megawati's political conservatism, her preoccupation with the territorial integrity of the state, and her indifference to intellectual discussions on human rights and individual freedoms certainly played a role in this development, but was far from being the only factor driving it. Instead, the remarkable renaissance of nationalist-conservative sentiments reflected broader social trends in Indonesia's political and economic life. By 2001, the initial enthusiasm for political change and liberalization had largely subsided, with politicians and ordinary people alike openly questioning the effectiveness of post-Suharto reforms. In the economic realm, many Indonesians felt that post-New Order governments had failed to rebuild the economy, which had collapsed dramatically in 1998 and had caused a significant decline in general living standards. This disappointment gave rise to calls for a review of the general style of governance, echoing the widespread view that "anarchy" among the new political institutions had replaced the meticulous economic planning of the Suharto government. Opinion surveys conducted at that time showed a steady decline in the trust put into the quality of civilian government and a sharp increase in the number of Indonesians believing that their lives were better under the New Order.³⁸ This general disillusionment in the population boosted the confidence of politicians who had harbored deep suspicions towards the reforms implemented after 1998, but had never-

theless joined in the popular pro-reform chorus of that time in order to promote their postauthoritarian careers. The changed political climate after 2001, however, allowed them to dispose of their reform vocabulary and replace it with demands for a government more concerned with policy outputs than upholding democratic procedures.

The turn against reformist ideals and policy experiments also spread into the arena of security and military affairs. There were three main developments that triggered counter-reflexes toward radical plans for reforming the security sector. First, the loss of East Timor was largely blamed on the allegedly permissive attitude of the Habibie government toward what the New Order regime would have classified as enemies of the state. Consequently, key policymakers convinced themselves that tougher policies were needed to discourage other territories from seeking separation as well. The events in East Timor also had instilled a sense in many politicians that foreign powers had an interest in Indonesia's particularization, and that part of their "grand design" was weakening the armed forces. In response to this perception, the positive attitude toward military reform within the political elite began to dissipate. Second, the outbreak of communal violence across the archipelago between 1999 and 2001 nurtured concerns that further reforms in the security sector could undermine the ability of the police and the armed forces to deal with the unrest. The ethnic conflicts in Central Kalimantan, as well as the religious clashes in Maluku, North Maluku, and Central Sulawesi claimed thousands of lives and dominated the headlines in the national press throughout the Wahid period. The longevity of the conflicts led to calls for a strict security approach toward those involved in the fighting, which the military claimed was only possible if its authority and resources were increased. Third, the expansion of separatist movements in Aceh and Papua during Wahid's rule had ultimately overstretched the patience of the Jakarta-based elite in both the executive and the legislature. As Richard Chauvel and Ikrar Nusa Bhakti (2004: 52) formulated, the elite adopted a "nationalist mindset" that increasingly opposed accommodative, compromise-seeking policies towards separatist groups. Leading politicians viewed the "soft" approach applied by the Habibie and Wahid governments as a massive blunder, and were eager to address the problems militarily.

The renewed prioritization of territorial integrity and repressive methods of conflict resolution favored the armed forces in several ways. It restored the military's claim to a domestic security role and returned the

armed forces to the center of policymaking in areas affected by separatist movements and sectarian clashes (Crouch 2003a: 20). Most notably, in May 2002 the government decided to transfer authority for security operations in Maluku from the police to the military. This reorganization ended a long and unhelpful quarrel between the two institutions over who should lead the effort to return stability to the violence-torn region. Djoko Santoso, the local military commander at that time, used his increased powers extensively. Widely seen as tough but professional, he succeeded in reducing the levels of militancy among the conflicting parties, including within his own ranks. (His success in Maluku paved the way for Santoso to become army chief of staff in 2005, and he is tapped to take over as TNI commander in 2008.) In addition to its high-profile engagement in Maluku, the military also expanded its role in Central Sulawesi, rolled back concessions made to Papuan separatists under Wahid's rule, and re-established restrictions on political life in Aceh, where hundreds of thousands had openly demonstrated for independence in August 2000. For much of Indonesia's elite, and even some foreign observers, these relaunched military operations had proven the continued indispensability of TNI in upholding law and order, despite the increased political repression attached to them. Donald Weatherbee (2002: 28), for example, agreed with the rationale that "nationwide domestic disorder raise(s) the question of whether there is an appropriate domestic security role for TNI."

The change in civilian elite attitudes also confirmed and legitimized TNI's new emphasis on the concept of "NKRI" (Negara Kesatuan Republik Indonesia, Unitary State of the Republic of Indonesia) as its main ideological guideline. Under the New Order, TNI had referred to the state ideology Pancasila, the 1945 Constitution, and the Dual Function when justifying its intervention in politics and domestic security affairs. After Suharto's resignation, however, TNI began to gradually replace these paradigms with frequent warnings of Indonesia's territorial break-up, blaming uncontrolled democratization and alleged foreign conspiracies. Pointing to the disintegration of the Soviet Union and Yugoslavia after the fall of communism, TNI argued that only its territorial presence in the regions was able to prevent Indonesia from going down a similar path. Initially an internal military theme, which had its roots in the Habibie period, the concept of NKRI expanded rapidly into the civilian realm after Wahid's unsuccessful attempts at "appeasing" separatist movements in

Aceh and Papua. By late 2001, it had become a standard element of political language, widely used by politicians, journalists, and even critical non-governmental organizations. Epitomizing the post-*reformasi* fears of political instability and social disintegration, the proud notion of NKRI appeared to return some of the national self-confidence lost in the chaos of the transition. Conveniently for the armed forces, these fears within the civilian elite, as well as the defiant responses to them, served TNI's interests in defining and defending its role in post-Suharto politics.

Fearing that further experiments would reduce the capacity of the armed forces to crack down effectively on separatist rebels or sectarian mil-

*[Many politicians feared that
further experiments would
reduce the capacity of the
armed forces to crack down
effectively on separatist rebels]*

itants, many politicians suspended their demands to reform the territorial command structure and other important aspects of military organization. As one member of Commission I on Defense and Security in Parliament explained: "Now is not the time to experiment with military reform. Now is the time to support our military in their fight against separatists, in their fight to safeguard the territorial

integrity of Indonesia. (...) I'm sure there will be a time to resume reform in the future."³⁹

In fact, the majority of the civilian elite appeared even more inclined to resort to traditional military paradigms of violent conflict resolution than President Megawati herself. Throughout 2002 and early 2003, Megawati allowed her coordinating minister for political and security affairs, Susilo Bambang Yudhoyono, to seek a peaceful settlement of the Aceh problem through negotiations mediated by the Geneva-based Henry Dunant Centre (HDC) (Huber 2004). The efforts resulted in a "cessation of hostilities agreement" in December 2002, but most civilian politicians and the armed forces were unwilling to endorse it. The military was widely suspected of sabotaging the peace deal by engineering attacks on monitors of the cease-fire, and in May 2003 the agreement collapsed. Unanimously supported by Parliament and the vast majority of the public, Megawati declared martial law and launched one of the largest military campaigns in Indonesian history.⁴⁰

The military operation in Aceh provided important insights into the state of civil-military relations in Indonesia five years into the post-Suharto transition. The civilian government left the definition of the strategic goals of the campaign and their implementation largely to the armed forces, and with no effective minister of defense since August 2003, executive oversight of the operations was scant. Parliament limited its control function to infrequent meetings with TNI leaders and granted most of the financial requests made by the armed forces without demanding detailed explanations for particular budget items.⁴¹ Senior officials in the State Auditing Board frequently reminded Parliament not to grant new funds before TNI had accounted for previous budget allocations, but to no avail.⁴² The deficient oversight mechanisms not only pointed to continued capacity problems within the civilian defense establishment, but also highlighted a new political climate in which critical comments on military operations were rarely heard.

Given that executive and legislative control of the military operations was weak, societal oversight became particularly important. The pool of nongovernmental “watch dogs” was limited, however, to a few critical organizations. Many Acehnese activists opposed to the military offensive left the province in fear of arrest or other forms of retribution, making it difficult for Jakarta-based NGOs to gather information from the combat areas. Moreover, media coverage was largely restricted to quoting official military sources, with journalists “discouraged” from interviewing separatist rebels. It was thus impossible for civilian control authorities and the public to verify military data related to the campaign, including the number and classification of victims.⁴³

At the local level, the military established an emergency administration that quickly accused the civilian bureaucracy of corruption and ineptitude. In addition, vacant civilian posts in local government were filled with army officers imported from TNI’s vast territorial network, allowing the armed forces to illustrate the continued importance of their command system. In short, the campaign in Aceh exposed the inherent weaknesses of the institutional control framework set up during the first generation of military reforms, and revealed how distant

***the campaign in Aceh
exposed the inherent
weakness of the institutional
control framework***

Indonesia was from entering the second generation of change aimed at creating workable systems of democratic control.

TNI and the War on Terror

The concessions to the armed forces after the constitutional crisis of 2001 and the renaissance of militaristic paradigms of conflict resolution provided two important factors for the political consolidation of the armed forces under the Megawati presidency. The changed international and domestic security environment after September 11 supplied a third crucial element. Since the 1990s, Indonesia's armed forces had been isolated by the United States and most of its Western allies for failure to address serious human rights violations committed by TNI officers, particularly in East Timor. Congress had prohibited the U.S. government from establishing full military-to-military ties with Indonesia, requiring that TNI first meet certain reform benchmarks. The officer corps had responded to this pressure with open defiance. Expressing its indifference toward the potential

benefits of foreign military aid, the TNI leadership continued to put officers implicated in the East Timor carnage into strategic positions. However, some generals felt disturbed by the stigma on TNI's international reputation. Prior to September 11, senior officers had asked the U.S. embassy in Jakarta to assist in their efforts to lift existing restrictions by issuing a statement acknowledging the success of military reforms implemented so far.⁴⁴ Their request had been turned

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Colin Powell rushed to
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military] had achieved
satisfactory...reform*

down, but the attacks on New York and Washington changed the strategic priorities of the United States completely. Its focus was now on the creation of a global network of effective counterterrorism forces to gather intelligence and carry out arrests, replacing what Catharin Dalpino (2002: 93) called the "free-floating post-Cold War idealism" behind "American support for Indonesia's democratization process." Anthony Smith (2003a and 2003b) argued that it was this new interest in establishing counterterrorism cooperation with Indonesia's military that provided "the main impetus to find a way to partially restore military-to-military ties." Thus after September 11, U.S. Secretary of Defense Donald Rumsfeld and Secretary of State Colin Powell rushed to certify that TNI had achieved

satisfactory levels of success in its reform process, expecting that Congress would subsequently lift restrictions.⁴⁵ The role of international pressure in promoting military reform, which had always been rather marginal in Indonesia, was now reduced to an absolute minimum.

The Indonesian armed forces quickly grasped that the political fallout of the global war on terror carried, in Donald Emmerson's words (2002: 122), "more opportunity than danger." Senior officers instinctively understood that the United States and its allies needed strategic partners in their fight against terrorist networks, and that this new geopolitical constellation was likely to end TNI's international isolation. The increased focus on counterterrorism was not only an international phenomenon, however.

The Bali bombings in October 2002, which killed more than 200 people and delivered negative headlines for Indonesia around the world, lifted the war against terror from an issue of largely diplomatic significance to an urgent political priority for Megawati's government. The Indonesian authorities reacted with a major crackdown on domestic terrorist networks, passed new antiterrorism laws, and supported

harsh and at times extra-judicial measures against suspects.⁴⁶ Again, the armed forces soon took advantage of the new situation. Army Chief of Staff Ryamizard Ryacudu suggested that in response to the terrorist crisis, the government should "revive" and expand the intelligence gathering capabilities of the territorial commands.⁴⁷ His proposal was well received. Following the bombing of the Australian embassy in Jakarta in September 2004, Megawati decided to include the military in counterterrorism units previously made up exclusively of police officers.⁴⁸ Despite this concession, the police kept its central role in counterterrorism efforts—much to the displeasure of TNI officers, who continued to argue for a more extensive engagement of the armed forces.

Following the bombing of the Australian embassy...in September 2004, Megawati decided to include the military in counterterrorism units

TNI's Electoral Politics: Consolidating the Gains

The increased strategic value of the armed forces, boosted by their mediation in intracivilian conflict, their dominance in fighting separatist movements, and their new role in the war against terror, translated into politi-

cal capital for the officer corps. Rita Smith Kipp (2004: 68) commented that at the very least, it “allowed the military to resist overhauling the territorial command structure.” That was not the only benefit, however. Internally, the armed forces were now in a position to dispense with much of the reform rhetoric adopted since 1998. Opponents of accelerated reform, representing the army mainstream, moved to marginalize the group of gradual reformers under Agus Widjojo from the center of decision-making. Throughout 2001, the chief of staff of territorial affairs had developed his ideas on reforming the territorial command structure into a detailed policy paper (Markas Besar TNI 2001a and 2001b). Circulating widely in September 2001, the paper led to open protest by officers who wanted to maintain the territorial system. In November 2001, Widjojo’s office was disbanded, and he was shifted to the less significant post of deputy chairman of the MPR. His removal marked the end of the internal military discourse on revamping the territorial command system and left the armed forces without influential proponents of reform.

Externally, the consolidation of the armed forces was mirrored in their increased popularity within the civilian elite and among the wider public. Polls showed that many Indonesians now favored a president with a military background, reversing the trend of the early postauthoritarian period.⁴⁹ In practice, the improved image of the armed forces led to gains for the military in the two most disputed political arenas of the Megawati polity: the struggle for executive positions in the regions and the preparations for the 2004 elections.

The election of new governors throughout Indonesia in 2002 and 2003 exposed the success of the armed forces in preserving their political power. In 1999, new bills on regional parliaments had been passed, allowing the legislatures to elect governors and district heads without interference by the central government. This was widely expected to discontinue the traditional grip of the armed forces on key governorships in Java and other crucial provinces. At that time, Michael Malley (2003: 111) noted that “the full impact of decentralisation is likely to be realized over the course of 2003 as the terms of governors appointed during the waning days of the Soeharto regime finally expire.” The conflict between political parties over these crucial positions was so intense, however, that many of them decided to back the incumbent or nominate other retired military officers to replace them (Honna 2005). Jakarta’s governor, Lt. Gen. (ret.) Sutiyoso, who had first come to office in the final days of the New Order,

was re-elected in 2002—this time with the assistance of PDI-P. Lt. Gen. (ret.) Mardiyanto, governor of Central Java, won a second term in 2003, defeating another retired military officer backed by Amien Rais and his party, PAN (Partai Amanat Nasional, National Mandate Party). Lt. Gen. (ret.) Imam Utomo of East Java also was re-elected in 2003, beating a former general supported by PKB patron Abdurrahman Wahid.⁵⁰ In West Java, a retired officer lost against a Golkar bureaucrat who happened to be a central figure in FKPKPI (Forum Komunikasi Putra-Putri Purnawirawan Indonesia, Communication Forum of Sons and Daughters of Indonesian Veterans).⁵¹ In Maluku, a former regional commander was elected as the new governor of the conflict-ridden province. The brother of Gen. Ryamizard Ryacudu became vice governor in the highly contested gubernatorial elections of Lampung, and retired generals defended their governorships in East Kalimantan and North Sumatra. Explaining this phenomenon, Crouch (2003b) argued that political elites probably calculated that “it is better to re-endorse a military officer . . . than to risk the election of governors from rival parties.”

The successes of retired officers in regional elections prepared the scene for the substantial engagement of former military leaders in the national polls of 2004. The presidential nominations of several New Order military figures, which resulted in what one observer called an Indonesian version of “star wars” (Editors 2005), demonstrated once again how the armed forces as an institution as well as their individual protagonists were able to use the new democratic conditions to their advantage. In August 2002, the MPR passed the last of a series of constitutional amendments that paved the way for direct presidential elections and removed the military from the Assembly.

TNI headquarters initially opposed the abolition of the electoral powers of the MPR, which in the past had allowed the armed forces to participate in backroom deals that decided the composition of the national leadership. It quickly became clear, however, that the new electoral mechanism did not necessarily disadvantage the armed forces and their personnel, as senior retired officers began to position themselves to run for the presidency. Susilo Bambang Yudhoyono, for instance, supported the foundation of the Democratic Party in September 2002, which was widely seen as the unofficial launch of his presidential campaign. Wiranto and Prabowo competed for the nomination of the Golkar Party, while Amien Rais approached several officers to become his vice presidential candidate,

among them Sutarto.⁵² Hamzah Haz, chairman of PPP, recruited Agum Gumelar as his running mate. While retired military officers largely pursued their individual ambitions and thus did not directly represent the institutional interests of the armed forces, they were unlikely to substantially hurt the organization that had propelled them into national prominence. As one Indonesian commentator put it, “it has always been debated whether a retired military or police officer is considered a civilian or military man.” But, he concluded, “it is difficult to believe that a retired military or police officer has no emotional links or organizational loyalty to their previous institutions” (Razak 2004). In addition, the courting of active military leaders by civilian politicians suggested that any elected president, whether former military or civilian, would seek the support of the armed forces and protect their fundamental interests in return.

The inclination of political parties to support or recruit military candidates in order to outplay civilian rivals underscored once again one of the major themes in post-Suharto civil-military relations: the crucial role of intracivilian fragmentation in determining the extent of military participation in political affairs. In many cases, the support for the candidacies of military nominees by civilian leaders appeared irrational, and was only explicable by extreme personal and political rivalries between societal leaders. Among the many examples of such antagonisms, Abdurrahman Wahid’s support for General Wiranto seemed particularly odd. Wahid had dismissed Wiranto as minister in early 2000, citing the latter’s poor human rights record. In 2004, however, Wahid had other concerns. His protégé-turned-rival within Nahdlatul Ulama, Hasyim Muzadi, had accepted the nomination as Megawati’s running-mate—against Wahid’s declared wishes and instructions. Outraged at Muzadi’s move, and declared unfit to contest the elections himself, Wahid threw his support behind Wiranto, who endorsed Wahid’s brother Solahuddin as his vice presidential candidate. Apparently, Wahid’s dislike of Muzadi was much stronger than his reservations about a potential Wiranto presidency, which many domestic and international observers described as deeply worrisome. In interviews with foreign journalists, Wahid expressed his conviction that Wiranto had no chance of winning, suggesting that his strategic priority had been to undermine the Megawati-Muzadi ticket. Whatever Wahid’s real motivations were, his actions provide a classic example of how conflict among civilian leaders, in this case even from the same organization, has the potential to expand the political space of active and retired military officers.

In addition to severe intracivilian fractures, the campaign for the 2004 presidential elections also highlighted the decline of the societal resentment of military engagement in politics that had been a prominent feature of the early phase of the postauthoritarian transition. Student groups and critical civil society organizations demonstrated against retired military officers participating in the elections, but unlike in 1998, their protest did not reflect general trends and sentiments in the larger population. Susilo Bambang Yudhoyono, who in 2001 had concluded that “Indonesians are not ready yet for a former general to become their leader,” emerged as the front-runner in the presidential race.⁵³ He eliminated Wiranto, Amien Rais, and Hamzah in the first round of elections in July 2004 and set up a showdown with Megawati in September. Megawati, trailing her opponent by an average of 30 percentage points in opinion polls, tried to tap into a largely eroded antimilitary sentiment by allowing her campaign team to refer to Yudhoyono as “General Yudhoyono.”⁵⁴

Presented by her supporters as a civilian candidate fighting against resurgent military powers, Megawati appeared at odds not only with her previous image as a political “mascot” of the armed forces, but also with the indifference of the electorate toward the civilian-military dichotomy. Megawati had simply lost much of the trust that voters had put in her in 1999, having established a reputation for being aloof, inactive, intellectually and technically incapable, and out of touch with the concerns of a socially and economically troubled populace (Liddle and Mujani 2005: 123). The issue of civilian control of the armed forces was of negligible importance for most voters, who sought improvement in the political and economic conditions of their daily lives. Consequently, Yudhoyono trounced Megawati in the second round of the elections with a margin of 60.6 to 39.4 percent, completing the successful adaptation of military leaders to the post-Suharto polity. The trauma of the New Order, while still generating sufficient societal support for the democratic system, began to fade amid more immediate priorities of political stability and economic recovery.

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Interlude: Yudhoyono and Post-Suharto Military Politics

Susilo Bambang Yudhoyono's military and political career under three post-Suharto governments and his rise to the presidency reflect structural developments in Indonesian military politics since Suharto's fall. They mirror the gradual and sophisticated adaptation of the armed forces to the new political framework, ranging from the disorientation of the early phase of the postauthoritarian transition to the successful use of democratic competition for the benefit of the military and its individual officers. A short analysis of Yudhoyono's career after 1998 can therefore help to illustrate the major arguments outlined above.

In the late New Order, Yudhoyono had managed to build a reformist image in the officer corps and the political elite without drawing Suharto's anger. Earlier than Wiranto, he had feared serious consequences for the armed forces if Suharto continued to deny political reforms or sought to stay in office indefinitely. He played a significant role in convincing the military leadership under Wiranto that it had to let go of Suharto if it wanted to play a role in post-New Order politics, and he negotiated with civilian leaders over the terms of the president's resignation. Yudhoyono's progressive attitude in the final months of the New Order could not hide the fact, however, that he too was ill-prepared for the almost complete liberalization of the political system introduced by the Habibie government. Despite his rejection of the excesses of authoritarianism, he shared many of the traditional military sentiments against democratic practices and rules. In the early Habibie period, he recommended limitations on the number of political parties and proposed regulations restricting their religious-ideological orientation.⁵⁵ His suggestions were ignored by the government, however, leading to considerable confusion in the officer corps and increased pressure on the armed forces to conform more quickly to the conditions of the democratic polity.

The circumstances of Yudhoyono's appointment to the first Wahid cabinet in October 1999 exposed the uncertainties and inconsistencies of TNI's transitional process. Yudhoyono initially rejected the post of minister of energy and mining and expressed his preference to remain in active military service. Only after Wahid insisted did he accept his nomination. With societal resentment of military officers in politics still high, the prospects of a retired general in civilian-dominated democratic politics were rather unpredictable. In contrast, the continuation of his military service would have almost certainly led him to the top post in the army

and subsequently the armed forces. Yudhoyono has often spoken in bitterness about his aborted military career, and his actions after the appointment provide evidence for his inner confusion (Hisyam 2004). Although he himself had drafted the regulation that military officers had to retire when taking up civilian posts, Yudhoyono now postponed his own retirement for almost a year. Instinctively sensing the instability of the Wahid government, Yudhoyono apparently tried to keep the door open for a possible return to active service. He also resisted Wahid's courtship to become a leading figure in his party, PKB.⁵⁶ It was only in August 2000 that Yudhoyono began to warm to the idea of a political career without finishing the military path he felt destined for. The political climate was changing, societal objections toward military figures in civilian posts were waning, and Wahid offered him a post in which he gained nominal supervision of Indonesia's security forces. Yudhoyono's appointment as coordinating minister for political, social, and security affairs marked his ultimate entry into civilian elite politics, including the risks and complications associated with it.

In his new post, Yudhoyono was drawn into the intense elite negotiations surrounding the conflict between Wahid and the legislature. Like the armed forces as an institution, Yudhoyono went through an extremely unstable period of political infighting but finally managed to emerge as one of its beneficiaries. The chaos of the Wahid presidency eroded the positive public image of civilian politics and led to a surge in the popularity of the armed forces and retired officers in political positions. Wahid's dismissal of Yudhoyono in June 2001 only helped to cement the impression of failed civilian leadership and allowed the former general to portray himself as a victim of degenerate elite politics. Thus the fierce conflict between key civilian figures not only boosted the poll ratings for Yudhoyono and engagement of military leaders in politics, but it also delivered a welcome theme for his further political career. The critique of elite-oriented and unaccountable party leaders developed into Yudhoyono's leitmotif as he planned his political future. It also helped him to explain and digest his failed candidacy for the vacant position of vice president after Megawati's ascent to power in July 2001:

[Yudhoyono] accepted his defeat without complaint. He even learnt a lesson from Senayan [the legislature]. The political process in the MPR sometimes does not mirror the reality outside of the MPR building.

[Yudhoyono] who was favoured by a number of polls could not win the competition in the building of the people's representatives. That was a lesson he did not have to regret. It was precisely this defeat that bolstered his understanding of the games in the Assembly. (. .) Party leaders still determined the voice of the party. That was legitimate, but not an ideal democracy (Hisyam 2004: 451).

The experiences collected during the Wahid period encouraged Yudhoyono to take the final step in his adaptation to postauthoritarian politics. Formerly a supporter of indirect and regulated mechanisms of democratic competition, he now believed that only a strong public mandate could break the deadlock within the political elite. Yudhoyono, and later the armed forces as a whole, therefore gave up their opposition to direct presidential elections. After the MPR determined in August 2002 that the next president would be elected directly by the people, Yudhoyono and other retired officers began to prepare their candidacies.

Despite the new focus on direct elections, elite politics remained an important instrument for Yudhoyono to build support networks for the upcoming campaign. Thus he accepted his reappointment to the cabinet by Megawati, which allowed him to maintain his presence in the media

and elite negotiations. In fact, his cabinet seat was of such importance to Yudhoyono's campaign preparations that for a long time he refused to confirm his candidacy publicly. He even denied that he was behind the formation of the Democratic Party in September 2002, even though his wife was acting as deputy chairperson. The continued use of government facilities on the one hand and the quiet build-up of his electoral campaign on the other put Yudhoyono into open confrontation with Megawati, who stood for reelection herself. She began to isolate

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Yudhoyono from government business, delivering him the opportunity to stage a publicity-rich resignation from cabinet in February 2004. The public perception that Yudhoyono had once again fallen victim to brutal elite politicking contributed to the unexpected success of the Democratic Party in parliamentary polls in April.⁵⁷ The party's 7 percent showing took it

above the threshold required to make a presidential nomination, increasing Yudhoyono's self-confidence and giving him greater leverage over the selection of his advisory team: he included a large number of retired military officers whom he trusted completely and who had developed an understanding of his political thinking in years of joint service. After his victory, Yudhoyono appointed several of them to key government posts. Together, they had lived through the ups and downs of the military's transition from a pillar of authoritarian rule to a mediator and participant in democratic politics. After six-and-a-half difficult years, one from their ranks had gained the presidency, swept to power by the very democratic reforms introduced to end military dominance over the political system.

Taming the Conservatives: The Yudhoyono Government

Although he had been the leader of the gradual military reformers during his service in the armed forces, Susilo Bambang Yudhoyono was not expected to initiate wide-ranging changes to the security sector when assuming the presidency in October 2004. During the electoral campaign, Yudhoyono had indicated that he saw no urgency in reforming the army's territorial command structure or changing the way the military interacted with civilian control institutions like the Department of Defense. Consequently, during his first year in office he put much more stress on strengthening his personal control over the defense establishment than on pushing for structural reforms. This approach produced dramatic successes in some areas, but led to structural stagnation in others. On the one hand, Yudhoyono succeeded in sidelining the most conservative officers from the army leadership. Their marginalization secured, in turn, the military's compliance with the government's peace plan for Aceh. In terms of institutional military reform, however, many of the initiatives launched by the Yudhoyono government have been slow and fragmentary.

Removing the Spoilers: The Helsinki Peace Accord

The most consequential decision on military affairs under the Yudhoyono government so far has been the removal of General Ryamizard Ryacudu from the armed forces elite. As the most vocal representative of the anti-reform wing in the armed forces, Ryacudu frequently spoke out on issues ranging from civilian deficiencies in governance to the threat of national disintegration (Liddle and Mujani 2005: 124). As army chief of staff, he was not only a visible symbol for the military's reluctance to further

reform, but he also had the power to influence the outcome of important policy processes. In early 2003, Ryacudu had belonged to the fiercest opponents of the Aceh peace process, and many believed that he played a major role in its failure. In the final days of her rule, Megawati chose Ryacudu to replace Endriartono Sutarto as TNI commander, claiming that the latter had submitted his resignation to her (which Sutarto denied). Parliament withheld the necessary confirmation of the presidential nominee, however, allowing Yudhoyono to overturn the appointment when taking office. In fact, Yudhoyono not only withdrew Ryacudu's nomination, but replaced him in February 2005 as army chief of staff with Djoko Santoso, a much less controversial figure. After leaving him without a portfolio for more than a year, Yudhoyono effectively terminated Ryacudu's military career in January 2006 by nominating Air Force Chief of Staff Djoko Suyanto to replace Sutarto. Even before Ryacudu's fall, however, some of his conservative allies had been sent into retirement. Their replacements were career officers who neither had great interest in reform nor showed particular inclination to undermine it. The marginalization of the most controversial officers sent a clear warning to the military that despite his own reluctance to rush through concrete reforms, the president was prepared to sack even high-ranking generals if they threatened to damage his political agenda and reputation.

Nowhere was Ryacudu's absence more perceptible than in Aceh, where the government brokered a peace deal with the separatist movement GAM (Gerakan Aceh Merdeka, Free Aceh Movement) in August 2005. In the accord, GAM promised to drop its demand for independence in exchange for the withdrawal of significant numbers of TNI troops and the establishment of an Acehnese system of "self-government." Given that the previous "cessation of hostilities" agreement had collapsed only two years earlier, most observers predicted that spoilers in the military ranks would again try to bring down the accord. The first phase of the peace process, however, passed by without any major disturbances. TNI leaders expressed undivided optimism over the prospects of the agreement and even praised GAM for surrendering its weapons according to the established procedures.

The contrast could not have been starker to March 2003, when Ryacudu had fuelled discontent with the HDC-led peace initiative by expressing sympathy for militia attacks on peace monitors.⁵⁸ This time around, TNI field commanders posed for photo sessions with former GAM rebels, and were quick to pledge their loyalty to the government's

peace plans.⁵⁹ Beside the exclusion of the most influential spoilers from the field, the Yudhoyono government also understood that it had to compensate TNI for its potential loss of income in Aceh's lucrative conflict economy (McCulloch 2003). Accordingly, it allocated 526 billion Rupiah (around 50 million U.S. dollars) for TNI to finance its partial withdrawal from the province—a sum very similar to what TNI would have received if the war had continued.⁶⁰ The payment was a major disincentive for senior officers to prolong the war, convincing them that the peace deal was not only politically viable, but also economically advantageous for them.

Yudhoyono's success in enforcing military compliance in Aceh marked a watershed in post-Suharto civil-military relations. For the first time, the government was able to secure the military's support for a negotiated settlement with separatist rebels. In 1999,

the armed forces had openly undermined the attempts of the Habibie administration to solve the East Timor question through a referendum, leading to massive violence and TNI's international isolation. In Papua, the military in 2000 and 2001 had defied President Wahid's orders to refrain from physical repression of separatists, exploiting inconsistencies in the government's approach to launch a major crackdown on the rebels and their sympathizers. In 2003, the armed forces actively worked toward terminating the peace accord with GAM signed in Geneva in late 2002, using the failure of the separatist movement to fully comply with the agreement as a welcome opportunity to push for a full-scale military operation in Aceh.

That the military decided to adhere to the 2005 settlement had less to do with the devastating tsunami that had hit Aceh in December 2004 than with the specific approach and institutional authority of the Yudhoyono government. On the one hand, Vice President Kalla had brokered the peace deal based on an economic, even entrepreneurial, interpretation of the existing conflict patterns. He understood that in order to make the agreement work, both GAM and TNI had to receive economic incentives. The compensation offered to TNI in the form of "withdrawal funds" significantly reduced the military's opposition toward the

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accord. On the other hand, military officers realized that Yudhoyono was now in a position to dismiss officers who were seen as undermining the government's policies in Aceh. Back in 2003, when Yudhoyono had driven the peace process as coordinating minister for political and security affairs, he had lacked the necessary authority to effectively sanction officers opposing the peace process. As president, Yudhoyono possessed this authority, and the officer corps felt that he was determined to use it. Edward Aspinall (2006: 56) reiterated this point by emphasizing that "it would be no easy task even for the TNI to sabotage the peace agreement, if the agreement retained the active backing of the most important political figures in the land."

The support of the armed forces for the Aceh peace process, which followed their widely praised cooperation with international militaries during the tsunami relief operations several months earlier, led Western governments to reevaluate their relationship with TNI. After September 11, 2001, there had been increased interaction between the U.S. military and its Indonesian counterpart in the context of counterterrorism training and intelligence exchange (Chow 2005: 312), but Congress had upheld major restrictions on defense relations with TNI. In November 2005, however, Congress allowed the Bush administration to waive the conditions the former had established for the resumption of full military-to-military ties. While the U.S. government cited national security interests as the reason behind this decision, it would have been unthinkable to lift the restrictions had TNI played an obstructive role in the Aceh peace process. Thus the novelty of firm military obedience to government directives on settling a separatist conflict peacefully facilitated not only the surprisingly smooth implementation of the Helsinki accord, but also TNI's international rehabilitation.

Juwono Sudarsono's Quest for Authority

Removing the extreme hardliners from the ranks proved a successful gamble for Yudhoyono, but institutionalizing further military reform was a completely different matter. The political and economic framework in which TNI operated still allowed it to exercise a high degree of institutional autonomy. The Habibie and Megawati governments had largely ignored the issues of military self-financing and structural subordination to civilian control, while the Wahid administration had failed spectacularly to push through radical reforms. Yudhoyono thus tried to relaunch initiatives for institutional change, and Juwono Sudarsono's appointment to his second

stint as minister of defense was designed to signal the president's determination in this area. Sudarsono was one of the few Indonesian politicians who recognized the severe consequences of TNI's self-funding mechanisms for the quality of civilian democratic control of the military. He was, however, also deeply sympathetic to the difficulties and shortcomings of military officers and soldiers in the field, defending them against frequent public criticism, which he believed was based on highly unrealistic expectations regarding Indonesia's under-funded military. In addition to his balanced views, Sudarsono had also experienced first hand the problem of trying to establish ministerial control over unwilling and self-confident generals. During his first term as minister in 1999 and 2000, he had been involved in frequent disputes with military officers over his authority to issue directives to the armed forces. Accordingly, Sudarsono had two major priorities when taking office again in October 2004: (1) to draft new legislation that would firmly subordinate the armed forces to the Department of Defense; and (2) to begin the process of reforming the military's financing system by establishing better controls over its economic enterprises (Editors 2005).

Sudarsono's attempts to enforce his authority over the armed forces faced immediate opposition from the military elite. TNI Commander Sutarto greeted the new minister, who according to the State Defense Act of 2002 was in charge of defense planning, with a reminder not to "talk about issues related to the armed forces."⁶¹ The cool reception set the tone for many of the following conflicts between Sudarsono and armed forces headquarters. In January and February 2005, Sudarsono issued ministerial decrees that outlawed military services and their units from procuring their own equipment.⁶² This decision had the potential to cut deeply into the entrenched network of military officials and business agents, and to put an end to some of the collusion that had marked the procurement process.

In practice, however, the decrees failed to address the underlying problems of the military procurement system, which uses well-connected agents to pre-finance purchases that the state is unable to cover through its actual budget. This mechanism has traditionally opened the door for mark-ups and corruption, and this appears not to have changed. Furthermore, the minister faced difficulties in advancing the civilianization of his department, a process he had often mentioned as a crucial condition for achieving effective control over the military. Although the

department had been officially separated from TNI headquarters in 1999, active military officers had continued to occupy virtually all key positions in the ministry. In March 2005, Sudarsono tried to appoint a civilian adviser as director-general for planning of defense systems, but his candidacy was opposed by the military and, ultimately, by Yudhoyono himself.⁶³ Thus civilians remained marginal players in the ministry, largely posted to work at the department's research office or carry out administrative tasks.

Confronted with entrenched military interests both in his own department and in the armed forces, Sudarsono decided that new, groundbreaking legislation was needed. He revised his earlier position that amendments to the State Defense Act were sufficient to place the armed forces under the supervision of the Department of Defense. These amendments were supposed to replace the existing arrangement that put the military directly under the control of the president. Instead, Sudarsono opted for the “big” solution. The minister declared that he wanted to create umbrella legislation for all aspects of defense and security, earning him praise from the 2005 Freedom House report for aiming at a “major reorganization” of the security sector (Freedom House 2005: 296). With this, he intended not only to establish his department as the primary executive control body for the armed forces, but also to settle a variety of issues not regulated by existing laws. This included the rules and norms for cooperation between the police and the military, the role of a yet-to-be formed national security council, and the engagement of the armed forces in military operations other than war. The draft for the new legislation raised serious concerns among civil society groups who feared that it would reunite the police and the military into one large, New Order-style security agency.⁶⁴

While these worries were unsubstantiated, Sudarsono had to tackle a myriad of other problems related to the bureaucratic procedures of drafting the bill. Most important, he had underestimated the complexity of producing a draft bill in cooperation with other government departments and agencies. As a bill on national security, the Department of Defense had to include the Home Ministry, the Department of Justice, Foreign Ministry, and the police in the deliberations. As a result, Sudarsono's announcement in February 2005 that the new bill would reach parliament within “two months” turned out to be unrealistic.⁶⁵ By early 2006, the bill still had not made significant progress, with no submission date to Parliament in sight. This delay has consolidated the status quo, with the

armed forces still insisting that the Department of Defense does not yield effective powers over TNI.

The delay in reformulating the institutional relationship between the Department of Defense and TNI headquarters also obstructed Sudarsono's second major policy initiative, the reform of military businesses. In the last days of the Megawati administration, Parliament had passed the Armed Forces Act, which included a paragraph that mandated the government to take over all military businesses within five years. Shortly after his appointment, Sudarsono required TNI to submit an inventory of all enterprises, foundations, and cooperatives run by armed forces headquarters and its various units. TNI formally complied, and Sutarto even announced that the armed forces had decided to divest their businesses not within five, but within just two years. In the absence of effective civilian control mechanisms, however, TNI itself began to set the parameters for the planned handover. Sutarto, for example, proclaimed that most of TNI's 219 core businesses (which had 1,520 subunits below them) were exempted from the transfer plan because they were crucial for the welfare of soldiers. Sjafrie Sjamsoeddin, secretary-general of the Department of Defense and himself a three-star general, seconded Sutarto by stating that "if an enterprise is run for internal and welfare purposes, it can't be categorized as a business."⁶⁶ Using this definition, TNI demanded that cooperatives and most foundations be excluded from the takeover, and Sudarsono appeared to offer no alternative interpretation. With 194 out of the main 219 enterprises being classified as cooperatives, the mandate of the Armed Forces Act had been undermined by a simple semantic redefinition.⁶⁷

In addition to creating loopholes, however, TNI also cut its formal links with some of its most profitable businesses. The army foundation Kartika Eka Paksi in August 2005 sold its share in the Artha Graha Bank, which in the past had served as the major investment arm of the military. Denying that the shares constituted a state asset, Deputy Army Chief of Staff Endang Suwarya insisted that TNI was under no obligation to surrender the proceeds to the government, and that the military planned to use the money for "educational" purposes instead.⁶⁸ The sale, besides gen-

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that the Department of
Defense does not yield
effective powers over [them]*

erating no profit for the state treasury, will make it impossible for the government to treat Artha Graha investments as military assets. This is despite the well-known fact that Artha Graha continues to manage many of TNI's foundations and enterprises. In addition to Artha Graha, the army also tried to sell the airline owned by Kostrad, Mandala, before the government

could gain control over it. In November 2005, an official from the Ministry of State Enterprises expressed concern over the extent of "blood-letting" in the airline, in other words a worrying level of capital out-flow. He implied that the longer the government worked on verifying the list of companies submitted by TNI, the more difficult it would become to assess their real value.⁶⁹ In April 2006, Kostrad

the initially ambitious drive to tackle the problem of military-owned businesses and...off-budget revenue sources has already lost most of its steam

announced that it had sold Mandala to a private investor, but refused to say what it would do with the 33 million dollars it received from the transaction.⁷⁰ In short, the initially ambitious drive to tackle the problem of military-owned businesses and close down TNI's off-budget revenue sources has already lost most of its steam. At this point, the outcome of the process is still open, but it is unlikely to significantly alter the way the armed forces raise large portions of their operational funds.

The Inviolability of the Territorial Command System

The difficulties in pushing the process of military reform were aggravated by the continued reluctance of the Indonesian elite to identify the territorial command structure as a critical reform target. During the parliamentary deliberations on the Armed Forces Act in mid-2004, some civilian politicians wanted to include stipulations calling for the gradual break up of the territorial system.⁷¹ In the end, however, the paragraph concerned was watered down to such an extent that it was no longer legally binding.

Even the tsunami in Aceh, which had exposed the weaknesses of the territorial structure in the most brutal manner, failed to convince policy-makers that the command system needed to be revamped. Having traditionally concentrated on maintaining a vast network of land-based micro-units, the armed forces were overwhelmed when the natural disaster in

Aceh required the rapid mobilization of airborne and maritime transportation units. Consequently, the army appeared paralyzed in the first two weeks after the catastrophe, and was forced to call in foreign assistance to provide the transportation services. These obvious deficiencies led some within the government to consider strengthening the air force and the navy, and Sudarsono announced in April 2006 that his department was working on the design of a new defense system.⁷² Sudarsono's call for a new approach did not include a strategic critique of the territorial system, however. The unwillingness to question the compatibility of the structure with international defense requirements and democratic standards was further compounded by the decision in October 2005 to reactivate the intelligence function of territorial units. After the second Bali bombing on October 1, Sutarto declared that TNI would actively engage in the war against terror by collecting intelligence through the lowest level of the territorial system.⁷³ In the weeks following the announcement, antiterror desks were established at all local commands, processing the data received from subordinate units. While the response of politicians and civil society leaders was largely negative, TNI proceeded with its plans. With the territorial command system integrated into the nationwide counterterrorism apparatus, the possibility of reforming the latter appears increasingly remote. Thus it came as no surprise when new TNI Commander Djoko Suyanto reassured at his parliamentary confirmation hearing in early February 2006 that the territorial structure would remain in place under his leadership, despite his background as an air force officer.

The entrenchment of the territorial system was all the more important for TNI since the 2005 local elections had produced rather poor results for candidates from a military background. Previously, retired military officers had profited from the indirect electoral system, exploiting tensions between political parties to offer themselves as compromise candidates. Based on new electoral laws passed in October 2004, however, the heads of local governments were to be elected directly by the people for the first time in Indonesian history. Thus between June 2005 and April 2006, around 235 local polls were held, with the rest occurring whenever the term of an incumbent expires. In those ballots, active and retired officers found themselves largely outplayed by influential bureaucrats and wealthy businessmen. Nevertheless, eight percent of all candidates had a military or police background, the fourth largest group in terms of professional origin (Mietzner 2005). Very few retired officers won the elections in their

respective areas, however, and none of the six active TNI representatives, all of whom had been approved by Sutarto to run, was elected to office.

The results raised serious doubts within the officer corps whether the military would be able to defend its traditional grip on key governorships. By early 2006, retired officers still held the governorships of Jakarta, Central and East Java, South Sulawesi, and East Kalimantan (the governor of North Sumatra, also a former general, died in a plane crash in September 2005 and was replaced by a civilian). All these areas will hold direct elections in 2007 and 2008, and more electoral losses for candidates with military backgrounds are almost certain. In anticipation of this further reduction in formal political influence, the armed forces are likely to seek the consolidation of the territorial command system as the last bastion of military engagement in local economies and their political networks.

Against this background, Yudhoyono's handling of military reform has received mixed reviews from Indonesian political commentators. On the one hand, he has been widely praised for reining in the armed forces on the Aceh issue, setting a historical precedent for military adherence to a negotiated settlement with separatists. This achievement sets him apart from his predecessors Habibie, Wahid, and Megawati, who all failed to secure military support for their plans to resolve long-standing separatist conflicts

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through peaceful means. On the other hand, observers have been largely critical of the lack of efforts for structural military reform. In a commentary on the resumption of military ties with the United States, Indonesia's leading English-language newspaper, *Jakarta Post*, remarked in late November 2005 that "over the past 12 months, very little has actually been shown by Susilo (that) he is still focused on his reform

pledges." The paper pointed to "the difficulties faced by the civilian defense minister in initiating real change" and warned that "providing carrots to a TNI that remains lethargic about political reform only reinforces the belief that their quiet subversion is paying dividends."⁷⁴ Such comments suggest that despite the significant progress that Indonesia has made since 1998, much more needs to be done to transform the armed forces into a modern, effective, and depoliticized military that is firmly subordinated to democratic civilian control.

Indonesia and the Problem of Second-Generation Military Reform

The discussion so far has pointed to the hybrid character of military reform after Suharto's fall. On the one hand, the armed forces have lost much of their formal political influence, and they no longer act as the backbone of the incumbent regime. On the other hand, the military has successfully defended its territorial power base, maintained its autonomy from institutional control, and exploited the fragmentation of civilian politics to gain political concessions. Scholars have approached such hybrid political constellations in different ways. Some authors have introduced the concept of "hybrid regimes," in which the system of governance is neither democratic nor authoritarian (Karl 1995). Others have differentiated between "electoral democracies," in which free and fair elections are being held but several deficiencies persist, and "liberal democracies," which in addition to free and fair elections also have a vibrant civil society, rule of law, and democratic civilian control over the military (Howard and Roessler 2006). In most recent discussions, authors like Diamond have spoken of "low-quality democracies," which fulfil all formal conditions for a democratic state but lack supportive sociopolitical fundamentals such as civilian supremacy over the armed forces (Diamond and Morlino 2004). In such schemes, Indonesia would feature as an electoral democracy with persisting structural shortcomings—or more derogatively, a "collusive democracy" (Slater 2004: 91). Classifications like this are too broad, however, to identify the particular stage of Indonesia's military reform efforts.

Consequently, other scholars have designed models more specifically directed toward military reform processes in transitional states. As introduced earlier, the two-generation model of civil-military reform developed by Cottney, Edmunds, and Forster provides an analytical platform for assessing progress toward democratic control over postauthoritarian militaries. In this model, the first generation of military reforms is largely concerned with institutional change, while the second generation consolidates the capacity of both state institutions and civil society to exercise "security sector governance." Based on this definition and a number of qualitative indicators, Cottney et al. evaluated the steps particular countries have taken to achieve structural military reform. This evaluation allows for the location of states on the scale of civil-military transitions. The highest level of progress was reached by those states that had completed the first-generation reforms but experienced problems in implementing the second. At

the bottom of the scale, several states had not even started serious efforts to address first-generation issues.

The application of this model to the case of Indonesia helps to highlight both achievements and shortcomings in the process of military reform. Many first-generation changes, mostly in the field of institutional reorganization, were successfully implemented. Table 1 lists those first-gen-

Table 1: Completed or Partly Completed First-Generation Military Reforms		
Year	Reform	Status
1998	Withdrawal of active military personnel from civilian posts	completed
1999	Separation of police from the armed forces	completed
1999	Extensive electoral reforms, marginalizing the military from formal politics	completed
1999	Declaration of political neutrality; withdrawal from Golkar	completed
1999	Reorganization of Department of Defense and security into Department of Defense	completed
1999	Appointment of civilian minister of defense	completed
1999	Empowerment of Parliament vis-à-vis TNI	partly completed
2000	Revocation of “Dual Function” doctrine	completed
2000	Definition of external defense as TNI’s main task	completed
2000	Disbandment of sociopolitical offices at the Department of the Interior	completed
2000	Disbandment of military-coordinated domestic security agency (Bakorstanas)	completed
2000	Passing of Law on Human Rights Courts	completed
2002	Passing of State Defense Act	completed
2004	Passing of Armed Forces Act	completed
2004	Extraction of non-elected military members from Parliament	completed
2004	Extraction of military faction from MPR; abolition of indirect election of the president and local government heads	completed
2004	Subordination of military courts to the Supreme Court	partly completed

eration reform steps that have been completed or are in the final phase of completion, contradicting the frequent argument that almost nothing has changed in civil-military relations since Suharto's fall. For example, the electoral reforms carried out under the Habibie government in 1999 meant that the executive and legislative institutions overseeing the armed forces were democratically legitimized. In 2004, further changes to the electoral system saw the complete departure of TNI officers from Parliament and the Assembly. Moreover, direct elections of national and local government heads were introduced in 2004 and 2005 respectively, abolishing the indirect election mechanism so prone to interference by the military and other powerful elite groups. Parliament was formally empowered to exercise control over the military, ranging from budget allocation to defense planning. The Department of Defense was led by a succession of civilian politicians for the first time since the 1950s, and the State Defense Act of 2002 and the Armed Forces Act of 2004 handed it wide-ranging authority over the strategic and logistical aspects of military management. Assembly decrees defined the role of the armed forces as being focused on defense, while the police were separated from the military and charged with maintaining internal security. Human rights courts were established in 2000 to put security officers on trial for gross violations, and the military court system was nominally placed under the supervision of the Supreme Court.

Despite these important changes, however, a number of critical items were omitted from the first-generation reform agenda. As shown in Table 2, crucial first-generation changes remained either unaddressed or incomplete. Most important, Indonesia has been reluctant to remove what was widely identified as the main obstacle to effective and sustainable military reform: the army's territorial command structure. The persistence of this command system has allowed military self-financing to remain operational, with serious implications for the political and legal accountability of the armed forces. Accordingly, the oversight exercised by both Parliament and the Department of Defense was highly theoretical. For example, Paragraph 25 of the State Defense Act, which stipulated that the armed forces had to be funded exclusively by the central state budget, was never—and indeed could not be—enforced. Thus the armed forces continued to raise large parts of their effective expenditure through the territorial network, enabling them to maintain a significant financial autonomy from the state.

Table 2: Unaddressed or Incomplete First-Generation Reforms

Reform	Status
Revision of territorial command system	Blueprint developed, but reform aborted in 2001
Reduction of off-budget military financing	Take-over of military businesses mandated, but cooperatives and foundations likely to be excluded
Subordination of TNI to DoD	TNI continues to report directly to the president
Civilian court jurisdiction for off-duty offences by TNI members	Necessary regulations not yet passed
Strengthening of human rights courts	No action taken after serial acquittals of senior officers between 2003 and 2005
Civilianization of DoD staff	Vast majority of DoD officials still military officers
Creation of civilian-led national security council	Discussed since 2002, no concrete action taken

The failure to tackle this single most important item on the first-generation reform agenda was aggravated by other problems typical of civil-military transitions. Civilian defense officials lacked the expertise and political clout to professionally review strategic, technical, and operational

questions of military management (Perwita 2004: 8). In addition, the continued political relevance of the military discouraged civilian politicians from seeking to exercise their control function effectively. Instead, they sought the support of the armed forces to settle conflicts within the civilian elite. At the same time, human rights courts acquitted all officers indicted for violations in East Timor and the 1984 massacre of Tanjung Priok, extending what Robert Cribb (2002:

239) called the “triumphant culture of impunity.” In summary, the institutions produced by the first generation of reforms, while equipped with formal authority and legal instruments, often proved toothless when con-

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fronted with the entrenched network of political relationships cultivated by the armed forces.

The incompleteness of the first-generation agenda undermined the chances of designing substantial second-generation reforms. This phase in the reform process, in which the newly created institutions are typically equipped with the capacity, skills, and resources to carry out their functions properly, could proceed only very fragmentarily (see Table 3). Without full state control over the military's budget, for example, oversight by civilian agencies remains cursory. At the same time, the failure to clearly subordinate the armed forces to the Department of Defense, and to push the process of "civilianization" of the ministry forward, left

Table 3: Second-Generation Reforms and their Status in Indonesia

Reform	Status
Full government and parliamentary control over military budget	Practice of partial military self-financing continues
Effective auditing of military expenditure	State auditors' authority to scrutinize military budgets still very limited
Regular, interagency reassessment of threat situation and military structure	Threat assessment and force structure determined by military elite
Transparent, credible military court system	Public perception of impunity for military personnel persists
Professional, multi-layered procurement process of military equipment	Network of military-connected agents still dominant; corruption rampant
Full adherence of the military bureaucracy to executive decisions	Gradually improving, but remains dependent on the loyalty of individual officers to the president
Existence of vibrant civilian defense community	Expanding, but often lacking resources

military officers with considerable freedom to manage their own affairs. Similarly, the Supreme Court was hesitant to enforce its supervision of military judges, allowing the armed forces to retain control over their own justice system. Military judges did not discontinue their practice of handing down light sentences for military personnel involved in gross

violations. (In April 2003, the main suspect in the murder of the leading Papuan independence activist Theys Eluay was sentenced to three and half years in jail, with then Army Chief of Staff Ryacudu calling the defendant a “hero”).

Given these deficiencies in institutional reform, it was not surprising that second-generation reforms were mostly limited to the nongovernmental sector: the participation of civil society groups in drafting the State Defense Bill in 2001, for instance, hinted at the development of what Cottney et al. called a “civilian defense community.” In fact, by 2006 quite a few think tanks had emerged that specialized in defense and security affairs, and that engaged productively with the armed forces, Parliament, and executive state agencies. Unfortunately, the increase of nongovernmental expertise in military matters was not matched by similar developments in the formal institutions in charge of controlling the armed forces.

This combination of partial successes in first-generation reforms and continued problems in organizing the transition to second-generation changes has shaped the above-mentioned hybrid nature of post-1998 military reform. As a result of successful first-generation reforms, the armed forces arguably no longer hold a “veto power” through which they could overturn key political decisions made by the electorate or the civilian gov-

ernment, with the possible exception of specific policies in the security sector (Stepan and Roberson 2004: 143). However, the obvious successes in this area were insufficient to subordinate the armed forces firmly to democratic civilian control. These difficulties were caused by several factors highlighted throughout this essay. To begin with, the way the political transition occurred prevented radical military reforms early in the post-Suharto period. Senior mili-

In the aftermath of the failed Wahid presidency, the Indonesian elite increasingly acquired a nationalist-conservative mindset

tary officers had played a key role in the negotiations leading to Suharto’s resignation, and in return they received concessions that preserved some of the military’s institutional privileges. Equally important were the inter-civilian conflicts that marked the political competition after 1998. The fragmentation of the civilian elite reached its peak in 2001 during the impeachment proceedings against President Wahid, and it is no coincidence that military reform began to stagnate in that period. In the after-

math of the failed Wahid presidency, the Indonesian elite increasingly acquired a nationalist-conservative mindset that prioritized territorial integrity over further military reform. Concerns over national disintegration, communal violence, and social unrest appeared to discourage political decision-makers from weakening the security forces with additional reform experiments. Consequently, crucial first-generation reforms, which had not been tackled in the early period of the transition because of the concessions that TNI had received for its role in the regime change, continued to be ignored at later stages of the post-Suharto reform process.

The key elements of this analysis are confirmed by the application of five explanatory propositions developed by Cottey, Edmunds, and Forster to the case of Indonesia. These propositions were designed to illustrate why some states succeed in their reform efforts and others do not. First, the level of attachment of military leaders to the fallen autocracy is a decisive factor. In post-Suharto Indonesia, the loyalty of the TNI elite toward the old regime was considerably higher than in other countries where military-backed regimes disintegrated, which led to serious problems in implementing reforms. The second proposition relates to the state of democratic politics. Although Indonesia's post-1998 elite has largely accepted democracy as the most viable political system, the level of conflict within the elite over the norms of democratic interaction has been so high that the general agreement on the basics of state organization did not result in a deepening of the reform effort. Third, international factors can play an important role in accelerating or delaying military reform. Unlike Turkey, for example, which reformed its armed forces to gain entry into the European Union, Indonesia had to fear no substantial financial losses if it failed to pursue military reform. In fact, the post-September 11 security environment even reduced the international pressure on TNI to reform. Fourth, the depth of institutional change indicates the stability of the reformist agenda. In Indonesia, the unwillingness to include the territorial command structure in the program of institutional reform increased the "vulnerability of civil-military relations to the vagaries of domestic political change" (Cottey et al. 2000: 3). Finally, the specific "military culture" in Indonesia, nurtured by decades of self-financing, operational autonomy, and legal impunity, proved unsupportive of fundamental changes to the foundations of the armed forces.

The mixed results of its efforts to establish democratic control over the armed forces grants Indonesia a medium ranking in the field of states with comparable experiences of recent regime change (Herd and Tracy 2005).

Indonesia has fared better than a large number of countries that have not even begun with their first generation of civil-military reforms, like several states in post-Soviet Central Asia or conflict-prone countries in sub-Saharan Africa. Indonesia has also achieved more stable results than states that addressed both first and second-generation reforms, but saw their reform processes collapse due to the weakness of the state and renewed conflicts. The states most similar to Indonesia as far as their current state of civil-military relations is concerned are Ghana, Nigeria, Turkey, and Russia. In those states, problems with the first generation of reforms persist, and the armed forces remain a highly politicized and privileged institution despite formal changes to their organizational framework. Indonesia lags behind states, however, that have seen successful first- and second-generation reforms while continuing to experience sporadic problems in the process, like South Africa, Taiwan, or South Korea. Although this comparative perspective helps to judge Indonesia's progress in military reform against international standards, the debate on institutional change within TNI has to maintain its primary focus on the particular circumstances of the world's largest archipelagic state.

Beyond the explanatory propositions applied in the theoretical literature, Indonesia faces very specific circumstances in its efforts to reform the armed forces: the intrasystemic character of the 1998 regime change, the protracted conflicts within civilian politics, and the persistence of the uniquely structured territorial command system. These core problems of military reform have shaped Indonesia's process of democratic transition since Suharto's fall, and they will continue to play a significant role in the years to come.

Policy Recommendations

The analysis developed above presents tough challenges for both domestic and international policymakers. The complexity of the issues at hand does not allow for a quick fix, and standard solutions that may have worked in

other countries do not necessarily apply to Indonesia. There are, however, a number of steps that could be taken in order to revive the stalled process of institutional military reform and push Indonesia closer to the sort of second-generation changes that other East Asian countries like South Korea or Taiwan have already begun.

The complexity of the issues at hand does not allow for a quick fix

In the domestic arena, decision-makers should conduct a comprehensive defense review, involving the government, legislators, the armed forces, the police, and the nongovernmental defense community. This defense review should analyze the kind of threats that Indonesia will face in the next twenty or thirty years, and subsequently design a defense system that is best positioned to address this threat scenario.

In the past, defense reviews in Indonesia have tended to confirm the status quo, either because of vested interests within various security agencies or sheer lack of resources to advance radical change. Given the fundamental shifts in the domestic and international security environment in the last fifty years, however, it is difficult to see how a new Indonesian defense review could recommend maintaining the defense system developed and perpetuated since the 1950s. The often advanced argument that Indonesia can afford no other defense system than that based on its allegedly low-cost territorial structure should be critically reviewed. The overall costs of maintaining that system, from vast infrastructure expenses to the resources drawn out of local economies to sustain individual military units, may well exceed the funds that would be needed to substantially revamp Indonesia's defense design. Independent think-tanks have for some time argued that Indonesia needs to think about concentrating its defense forces in a small number of multi-service bases established at sensitive points across the archipelago (Widjajanto 2002). These bases should have rapid deployment facilities, particularly sea- and airborne. Whatever the precise outcome of the defense review, Indonesian policy-makers should determine the parameters of the future defense system sooner rather than later in order to be able to implement the changes in the next ten to fifteen years.

Beside the long-term reform of the defense system, Indonesia's political elite should also work on completing several reforms that were either left unaddressed or have not produced the expected results. The human rights legislation should be equipped with stronger instruments to bring a larger number of human rights violations to court, and the courts should be provided with training and resources to carry out their tasks more effectively. The Truth and Reconciliation Commission, which according to law should have been established by 2005, should be created quickly and needs to be given adequate funds and powers. In terms of institutional military reform, the armed forces should be clearly subordinated to the Department of Defense, and the "civilianization" of that department

should be accelerated considerably. The hand-over of military businesses to the state should proceed according to the initial plans, and should not exclude cooperatives and foundations. The State Auditing Board should be granted authority to examine not only the official expenditures of the armed forces (as had been its practice in the past), but also their off-budget income sources. The creation of a civilian-led national security council, which has been debated since 2002, should be finalized and given sufficient resources to provide the government with critical, up-to-date, and comprehensive input on defense and security issues. Equally important, however, is that civilian political actors continue to be strengthened. The consolidation of political parties, legislative institutions, and executive agencies is a *conditio sine qua non* for the development of a democratically controlled defense sector. If intra-civilian conflicts can be reduced, and political parties stick to democratic rules in competing for power, the chances for successful military reform will be much higher than under the conditions of deep social fragmentation in 2001.

Foreign governments that wish to support Indonesia's military reform process should be aware that their actions are unlikely to have a strong impact on domestic policy decisions. This applies both to possible sanc-

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tions and to support programs. In terms of sanctions, there is generally no evidence that would suggest that isolating a foreign military leads to positive behavioral changes or substantial structural reforms. If anything, the sanctions imposed on Indonesia by Western countries after 1999 have hardened the nationalist resolve within the officer corps, and have encouraged it to seek closer ties with emerging powers that have fewer concerns over human rights issues, like China or Russia.

The only period when Western governments would have had enough leverage to push for structural military reform was the economic crisis from 1997 to around 2000, when the country depended on regular cash injections to survive. Back then, however, the International Monetary Fund and the World Bank prioritized reforms to the banking sector and other economic fields, and paid little attention to security sector reform. Today, Indonesia is in a much stronger position, economically and politically, and

is unlikely to respond well to any further sanctions related to the state of its military. Thus instead of imposing sanctions, foreign governments are better advised to engage with TNI, but they should keep their expectations low as far as the impact of their assistance programs is concerned. Educational exchanges, training workshops, language courses, and financial support for reform-oriented initiatives are useful interventions, but the effects of such efforts should not be overestimated. Donors should be designing their programs in full awareness of their limitations, and focus on realistic benchmarks rather than ideal goals. The important decisions on structural reform, such as the defense review mentioned above, are for Indonesians to make, and they are more likely to be the result of domestic political dynamics than foreign pressure or assistance.

What foreign donors *can* do, however, is expose Indonesian military officers and civilian defense officials to international debates on security issues, enriching their knowledge and enabling them to reach well-informed decisions. Generals who speak English, communicate regularly with international colleagues, read up-to-date contributions on defense studies, and have traveled widely are more likely to be interested in reforms than those who are inward-looking and isolated from international affairs. General Ryamizard Ryacudu, who often stated that Indonesia's military was unique and thus did not need to seek international advice on its reform agenda, was an eloquent example of the latter type. In addition to educational programs, foreign donors can play a role in providing assistance to civil society organizations and think tanks engaged in the defense sector. These pillars of the nongovernmental defense community are often crucial in driving reform initiatives, and thus deserve institutional support. Indonesian academics should be given scholarships to study at defense academies in the United States, Europe, and Australia, in order to create a new generation of civilians with expertise in defense studies. Graduates of such courses could then, at a later stage, fill positions at the Department of Defense that are currently still occupied by military officers. Finally, foreign governments might also consider very limited equipment support to

The important decisions on structural reform...are more likely to be the result of domestic political dynamics than foreign pressure

Indonesia's armed forces, provided that such assistance helps Indonesia to shift its doctrinal focus away from the army towards the navy and air force, and does not (at this point) include lethal weaponry. The supply of military equipment to Indonesia is likely to trigger heated debates in some countries, particularly the United States and Australia, but if Jakarta is expected to revamp its defense system and modernize its force structure, it will ultimately need the material infrastructure to do so.

Endnotes

1. Wiranto had been presidential adjutant between 1989 and 1993. After his term in the palace, his career skyrocketed. He became chief of staff of the Jakarta command in 1993, its commander in 1995, and commander of Kostrad (Komando Cadangan Strategis Angkatan Darat, Army Strategic Reserve Command) in 1996.
2. At the time of their dismissal, Prabowo and Muchdi were commanders of Kostrad and Kopassus (Special Forces) respectively.
3. Author's interview with Wiranto, Jakarta, October 13, 2000.
4. Author's interview with Susilo Bambang Yudhoyono, Jakarta, July 29, 1998.
5. The MPR is nominally the highest institutional authority in the country, while the DPR (Dewan Perwakilan Rakyat, People's Representative Council) is Indonesia's parliament. Under the New Order, the MPR consisted of the members of the DPR, regional representatives, and functional groups. Every five years, it elected a president and vice president, and issued decrees and regulations that ranked higher than the legislation passed by the DPR. As a result of the constitutional amendments adopted in 2002, however, the MPR lost its electoral powers and its legislative authority.
6. "Paradigma Baru Dwifungsi ABRI," *Tiras*, April 24, 1997; "Pangab: ABRI Kembangkan Empat Paradigma Peran Sosial Politik Baru," *Republika*, July 18, 1998.
7. Author's interview with Agus Wirahadikusumah, Jakarta, November 12, 1998.
8. "ABRI Lakukan Redefinisi atas Doktrin Dwifungsi," *Media Indonesia*, September 23, 1998; "Dwifungsi ABRI Dihapus, Diganti 'Peran ABRI,'" *Republika*, September 23, 1998; "Dwifungsi tak Berkesudahan," *Media Indonesia*, September 27, 1998; and "Panglima TNI Pada Rapim TNI: Tinggalkan Sospol, Konsentrasi Pada Pertahanan," *Kompas*, April 20, 2000.

9. "Military Chiefs Told To Stay Distant from Parties," *Jakarta Post*, October 17, 1998.
10. In July 1998, there were 6,899 active officers seconded to civilian posts in the government bureaucracy. If retired members of the armed forces were added, the total number was 12,446 (Bhakti 1999: 143).
11. Author's interview with Johny Lumintang, Deputy Army Chief of Staff, Jakarta, July 29, 1999.
12. The territorial command system, as it evolved under the New Order, is comprised of Regional Commands (Komando Daerah Militer, Kodam), which corresponds to either one large province or a number of smaller provinces; Resort Commands (Komando Resort Militer, Korem), covering the boundaries of the old Dutch regencies, often one smaller province or a number of *kabupaten* (districts); District Commands (Komando Distrik Militer, Kodim), corresponding to districts; Subdistrict Commands (Komando Rayon Militer, Koramil), supervising the *kecamatan* level; and the NCOs for Village Supervision (Bintara Pembina Desa, Babinsa), responsible for *kelurahan* and *desa* (villages).
13. The strength of TNI's territorial network has motivated some observers to not only predict, but in fact demand a continued role of the armed forces in politics. (See, e.g., Walters 1999: 59–60).
14. "Wiranto Tarik Diri Dari Calon Wapres," *Media Indonesia*, October 19, 1999.
15. Wiranto had initially favored Megawati for the presidency, but had received no concrete offers as far as possible concessions were concerned. Instead, senior PDI-P officials declared publicly that Megawati was unlikely to invite Wiranto to form a coalition, given the latter's unfavorable reputation with foreign governments. "PDI Perjuangan 'Unlikely to Pick Wiranto as Partner,'" *Jakarta Post*, October 18, 1999; author's interview with Subagio Anam, Member of Parliament for PDI-P, Jakarta, October 5, 1999; and Perkasa, "Rakyat Perintahkan Dwi Tunggal Gus Dur-Wiranto Selamatkan Bangsa Indonesia," Jakarta, October 19, 1999.
16. It remains unclear if the 38 members of the military faction in the MPR voted en bloc for Wahid or whether the vote was split.
17. Author's interview with Abdurrahman Wahid, Jakarta, October 18, 1999.
18. "Ingin Nobel, Dapat Penjahat Perang," *Siar*, October 2, 1999; "Habibie Falls into East Timor Quagmire," *Asia Times*, September 10, 1999.
19. For example, an edict of December 1, 1999 deprived the president's four adjutants of the right to monitor Abdurrahman's visitors and outgoing correspondence. John McBeth, "Wahid's Coming Clash," *Far Eastern Economic Review*, February 3, 2000.
20. Author's interview with Ratih Harjono, Jakarta, January 28, 2003.
21. Author's interview with Matori Abdul Djalil, Jakarta, February 28, 2000.
22. Shortly before the reshuffle, Wirahadikusumah had demanded the removal of "status quo" officers from the ranks, apparently believing that Widodo would be in charge of new appointments. Instead, Wiranto signed the reshuffle orders on his last day in office. "Asrenum Panglima TNI: Bersihkan TNI dari Pemimpin Status Quo,"

Republika, October 24, 1999; author's interview with Wiranto, Jakarta, October 13, 2000; and Agus Wirahadikusumah, Makassar, February 23, 2000.

23. Author's interview with Abdurrahman Wahid, Jakarta, March 2, 2000.

24. Author's interview with Agus Wirahadikusumah, Makassar, February 23, 2000.

25. The project, run by Wirahadikusumah's associate Saurip Kadi, then assistant for territorial affairs at army headquarters, aimed at the withdrawal of 33,000 personnel from the community level (*babinsa*). They were to be concentrated at the district commands (*kodim*), where they would have received training as members of regional defense units (Kadi 2000: 79).

26. Interview with Agus Wirahadikusumah, Makassar, February 23, 2000.

27. Author's interview with Wiranto, Jakarta, October 13, 2000.

28. Author's interview with Djadja Suparman, Bandung, January 25, 2002.

29. Author's interview with Agus Widjojo, Jakarta, March 5, 2000.

30. Bondan Gunawan had been close to Wahid since their membership in the Democracy Forum in the early 1990s. As state secretary, he continued his sharp criticism of the military. In April 2000, he contended that "TNI is not prepared to see its political role reduced to defense tasks, and this is understandable, considering the privileges they have enjoyed so far" (Gunawan 2000).

31. Author's interview with Muhamimin Iskandar, Jakarta, June 6, 2001.

32. Between September 2000 and October 2001, the percentage of respondents who had a favorable opinion of TNI rose from 28 to 58 percent, while those who had an unfavorable view declined from 61 to 31 percent (Simanungkalit 2003: 291).

33. Author's interview with Djadja Suparman, Bandung, January 15, 2002.

34. The 1999 session of the MPR had already decided to exclude TNI from the DPR and local legislatures from 2004 onward, but had granted the military continued representation in the MPR in exchange for dropping its opposition to leaving Parliament.

35. Author's interview with Mahfud MD, Yogyakarta, September 15, 2001. Mahfud had replaced Sudarsono as minister of defense in August 2000.

36. "U.S. Warned Against Full Embrace of Megawati," *Inter Press Service*, July 25, 2001.

37. "Sebagai Menhan, Matori akan Menjembatani Dikotomi Sipil-Militer," *Kompas*, August 9, 2001.

38. In a 2003 poll, 56 percent of respondents believed that living conditions had been better under the New Order. Only 27 percent favored the post-Suharto system. "'Merindukan Kembali' Orde Baru?" *Suara Pembaruan*, September 29, 2003.

39. Author's interview with Happy Bone Zulkarnaen, Jakarta, March 30, 2002.

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About this Issue

This study discusses the process of military reform in Indonesia after the fall of Suharto's New Order regime in 1998. The extent of Indonesia's progress in this area has been the subject of heated debate, both in Indonesia and in Western capitals. Human rights organizations and critical academics, on the one hand, have argued that the reforms implemented so far have been largely superficial, and that Indonesia's armed forces remain a highly problematic institution. Foreign proponents of military assistance to Indonesia, on the other hand, have asserted that the military has undergone radical change, as evidenced by its complete extraction from political institutions. This study evaluates the state of military reform eight years after the end of authoritarian rule, pointing to both significant achievements and serious shortcomings. Although the armed forces in the new democratic polity no longer function as the backbone of a powerful centralist regime and have lost many of their previous privileges, the military has been able to protect its core institutional interests by successfully fending off demands to reform the territorial command structure. As the military's primary source of political influence and off-budget revenue, the persistence of the territorial system has ensured that the Indonesian armed forces have not been fully subordinated to democratic civilian control. This ambiguous transition outcome so far poses difficult challenges to domestic and foreign policymakers, who have to find ways of effectively engaging with the military to drive the reform process forward.

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